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# **Daily Report—**

## **East Asia**

FBIS-EAS-96-113

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11 June 1996

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# Daily Report

## East Asia

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## Japan

### Japan: Okinawa Local Heads Urged To Act on Expropriation

OW0706121596 Tokyo KYODO in English  
1124 GMT 7 Jun 96

[FBIS Transcribed Text] Naha, Japan, June 7 KYODO — A committee charged with property expropriation asked heads of 10 municipalities in Okinawa prefecture on Friday [7 June] to take procedures needed to rule on expropriation of land owned by local residents for use by the U.S. military.

The move follows Thursday's acceptance by the committee, known as the Okinawa prefectural expropriation committee, of a central government application to expropriate 36.8 hectares of land owned by some 3,000 landowners, who have refused to renew their leases for 12 U.S. military facilities. The leases will expire in May next year.

The legal procedures include the posting of public notices announcing that a formal request for a ruling on expropriation has been filed and accepted.

The committee, which is an independent body, consists of seven local lawyers and scholars, cannot open hearings if such procedures are not taken.

Eight heads of municipalities, including the mayor of Naha, the prefectural capital, have already said they will refuse to carry out such procedures.

If the heads of the municipalities refuse to complete such procedures within two weeks, the central government will ask Okinawa Gov. Masahide Ota to make the announcements on behalf of the local government heads.

If Ota refuses, Prime Minister Ryutaro Hashimoto will seek a court order forcing Ota to make the announcement.

Ota is already embroiled in a court battle with the central government over renewing land leasing contracts for a total of 35,000 square meters of land owned by local residents, including a 236-square-meter plot in Yomitan used for a U.S. telecommunication facility whose leasing contract expired at the end of March.

He has appealed to the supreme court against a lower court decision ordering him to sign documents needed for the continued lease of land to the U.S. military.

The government plans to introduce special legislation to quicken legal procedures to expropriate land for use by the U.S. military in Okinawa prefecture by shifting the authority of land expropriation for the U.S. military from local authorities to the central government.

Okinawa provides some 75 percent of the land occupied by U.S. facilities in Japan.

### Japan: Okinawa To Take 'Wait-and-See' Attitude on Tokyo's Move

OW1006140196 Naha RYUKYU SHIMPO  
in Japanese 7 Jun 96 Morning Edition p 2

[FBIS Translated Text] Although the central government has started full-fledged work to pass special legislation, the Okinawa prefectural government publicly intends to take a wait-and-see attitude. Governor Masahide Ota is expected to announce his intention to refuse to take legal procedures on behalf of local village chiefs, including posting public notices announcing that a formal request made by the Naha Defense Facilities Administration Bureau [DFAB] for a ruling on expropriation of a plot in the Sobe communication site has been filed and accepted; still, the Okinawa side's basic position seems to be unchanged, even if the central government presses its move to draft special legislation. A prevailing view among prefectural government executives is that "as the governor has appealed to the Supreme Court against a lower court decision ordering him to sign documents needed for the continued leasing of land, the prefectural office has no reason to change its position before the highest court hands down a decision." Meanwhile, however, a cautious view has been expressed that the government has started work to draft special legislation "probably for its political intention, but at the present stage, it is not a matter on which the prefectural government will comment" (according to a senior official). The central government's drafting of special legislation to set a deadline for the Okinawa Land Expropriation Committee's examination and discussion to decide whether to approve use of land may put some psychological pressure on the Okinawa side. However, it will not have a real impact on the Okinawa prefectural government's position at the present stage, when a court decision has not been made. At a meeting on issues concerning U.S. military bases on Okinawa scheduled for 10 May, Prime Minister Ryutaro Hashimoto may ask for Governor Ota's cooperation in taking the legal procedures. Nevertheless, in that case the governor is expected to indicate anew his stand of refusing to take the legal procedures concerning posting public notices until the Supreme Court delivers a decision on the propriety of Ota's "refusal to sign documents on behalf of chiefs of municipalities."

**Japan: SDP's Sato Opposes Plan To Enact New Law on Bases**

OWI006134996 Tokyo MAINICHI SHIMBUN  
in Japanese 7 Jun 96 Morning Edition p 2

[FBIS Translated Text] During a 6 June news conference, Kanju Sato, Social Democratic Party secretary general, criticized the government's plan to introduce special legislation to break the deadlock over the issue of forced use of land for the U.S. forces on Okinawa. He said: "I strongly oppose the policy to hastily enact such legislation. Such a coercive measure will unnecessarily stir Okinawan people's emotions and worsen the situation." He added: "The quickest way to settle the issue will be for the government to create an environment in which the Okinawa governor can carry out the proxy signing while taking into consideration Okinawa residents' feelings." In this way, Sato stressed that the government should by all means seek a solution through talks.

**Japan: SDP Leader Expresses View Against Special Legislation**

OWI006123596 Naha OKINAWA TIMES in Japanese  
7 Jun 96 Morning Edition p 3

[FBIS Translated Text] On 6 June, Shigeru Ito, chairman of the Social Democratic Party's [SDP] Policy Deliberation Commission, held a news conference at Okinawa's prefectural government building and commented on the issue of expropriating land for use by the U.S. military. Regarding the fact that the government is studying the possibility of introducing special law, which will be applied only to lease contracts for land belonging to some 3,000 landowners for 12 U.S. military facilities, Ito said: "I am against any attempt to unilaterally introduce special legislation, as the government did during the Cold War era. We will settle the issue by squarely dealing with the prefectural government's two visions, which are action program for return of U.S. military bases and the concept of constructing an international city, and doing our best in line with the demands of the prefectural government. This is the precondition." In this way, he clarified his stance that he is against enacting a special law to quicken legal procedures needed for expropriation of land for military use.

Ito stressed that the ruling parties still have not discussed introduction of special legislation. Then, he explained a timetable for the future, emphasizing the fact that the ruling parties are leaning toward holding discussions in around September to be prepared for Japan-U.S. Special Action Committee on Okinawa (SACO) (Two Plus Two), slated to be held in November.

He also pointed out the need to introduce special financial measures following the return of U.S. military bases. He said: "We will have discussions among the ruling parties while appraising the action program for return of the bases." A meeting is scheduled to be held on 9 June between chairmen of the ruling parties' policy research councils and policy deliberation commission. He disclosed that issues of military bases on Okinawa and land expropriation will be taken up as topics of discussion and that they will exchange opinions at the meeting.

Chairman Ito also met with Governor Masayoshi Ota and had a friendly talk aimed at settling the base issues.

**Japan: DA Official: Land Legislation 'Must Be Ready' by Fall**

OWI006141496 Tokyo MAINICHI SHIMBUN  
in Japanese 8 Jun 96 Morning Edition p 2

[FBIS Translated Text] On 7 June, a top Defense Agency [DA] official commented on the issue of drafting special legislation to speed up procedures to expropriate land for use by U.S. forces in Okinawa. He said: "It must be ready by the extraordinary Diet session in the fall." This is the first time the official has made comments in reference to the timing of the legislation. A plot of land (belonging to one landowner) at the Sobe communications site has been under "illegal occupation" by the state since April. Leases on land belonging to 3,001 owners that are scattered over 12 military facilities, including Kadena Air Base, will expire next May. The DA official also indicated that a certain degree of limitations on property rights will be necessary in expropriating land for use by U.S. forces, saying: "Property rights are important, but Japan bears heavy responsibilities under the Japan-U.S. security treaty in terms of its commitments under international law."

Government officials are continuing to study procedural matters, including the possibility of abolishing assigned functions, such as the proxy signing of necessary documents by the governor and other local authorities, or strengthening the state's authority in such a way that a government agency can directly give a ruling on land expropriation. The government, for its part, has now clarified that it wants to hasten establishing a system that will assure its providing facilities and sites to U.S. forces, as this serves as the foundation for the Japan-U.S. security arrangement.

However, exempting land for military purposes from the existing land expropriation system, which authorizes prefectural expropriation committees to give rulings, will inevitably draw criticism in that such an act

infringes upon property rights guaranteed by the Constitution. Regarding the existing Law on Special Measures Concerning Land Used by the U.S. Forces, which takes after the Land Expropriation Law, some officials at the Defense Facilities Administration Agency feel that "the utmost revision that can be made is to limit the time allowed for the expropriation committee to conduct deliberations and authorize the state to give a ruling after a designated period." As a result, controversy is likely to arise in the future within the government and ruling coalition parties.

#### **Japan: DA Official: Ota Refusal May Lead to New Legislation**

*OWI006055696 Naha OKINAWA TIMES in Japanese*  
8 Jun 96 Morning Edition p 1

[FBIS Translated Text] Tokyo — On 7 June, a top Defense Agency [DA] official indicated that Okinawa Governor Masahide Ota's refusal to post public notices on expropriation of land for U.S. military bases would lead to the government's full-fledged efforts to enact special legislation to quicken legal procedures to expropriate land for use by the U.S. military. This is the first time that a government official has specified the timing of the government beginning work to enact new legislation. On the same day, the government decided that if Governor Ota fails to carry out the public notification procedure by 11 June for emergency use of land for the U.S. Sobe communications facility in Yomitan-son, it would begin to take legal steps on 12 June needed for Prime Minister Ryutaro Hashimoto to do the procedure in place of the governor, while at the same time requesting again Ota to carry out the step based on the Local Autonomy Law. The public notice issue will reach the most critical point early next week.

The top DA official noted that a bill on new legislation needed to be adopted during the extraordinary Diet session in autumn because the lease contracts for 12 U.S. military facilities expire in May next year. One of the purposes of enacting new legislation is said to abolish the existing system of assigning state functions to local authorities. Concerning this, the DA official said: "Certainly, it has been questioned whether or not it is all right to let local governments handle issues that concern international treaties." In this way, he admitted that the government was considering abolishing the system.

So far, the government has stated that "we are studying the problems of the current law" and denied that it is considering enacting a new law. It has also denied news reports saying that the government drafted the bill on new legislation and presented it to the ruling coalition.

However, the top DA official's remarks suggest that the government has a definite plan concerning when to start work for new legislation. In this connection, the government appears to be trying to confirm whether or not Governor Ota will cooperate with the state over the issue.

The government has promoted the study of new legislation with the aim to expand its authority in such a way that a government administrative committee can give a ruling on land expropriation in place of the Okinawa Prefectural Land Expropriation Committee.

On 28 May, the government asked Governor Ota to make a proxy announcement on expropriation of land for the Sobe communications facility. Under the existing law on land for use by the U.S. military, heads of local municipalities home to U.S. bases are obliged to complete the public notice procedure in two weeks after the central government files a request for expropriation of land. The DA official noted that "the law also requires Governor Ota to complete the procedure within two weeks." Under this law, the deadline for Ota to make a proxy announcement falls on 11 June.

The government has decided to ask Governor Ota to carry out the procedure on 12 June because Ota is scheduled to leave on a trip to the United States on 14 June.

#### **Japan: SDP Expected To Sway Special Law for Forced Land Use**

*OWI006095796 Naha OKINAWA TIMES in Japanese*  
8 Jun 96 Morning Edition p 2

[FBIS Translated Text] The government is planning to hasten drafting of special legislation to speed up procedures for compulsory use of land for military purposes. The Social Democratic Party [SDP], which professes to be the "Okinawa Party," is opposed to any attempt to make up for the delay in the procedures executed in accordance with current laws. Coordination among the ruling coalition parties will be the focus of the special legislation issue, and the SDP's judgment is likely to influence moves to enact the legislation.

The central government had assumed that the agreement on the return of the Futenma air field would be a "point of compromise" between it and the Okinawa Prefectural Government. Some ruling coalition party officials, however, are critical of the prefectural government's failure to change its attitude on the land expropriation procedures. With their dissatisfaction with the prefectural government as a backdrop, it appears that when Okinawa Governor Masahide Ota refuses to carry out the process of public notification and circulation, the central

government will see it as a golden opportunity to table the special legislation on the political agenda.

Lease contracts on some plots of land inside 12 U.S. military installations, including the runway on Kadena Air Base, will expire next May. The central government is concerned that "the credibility of the security arrangement will be lost" if the approximately 3,000 landowners involved demand entry to their plots. Therefore, on grounds of avoiding needless disorder, the central government is considering enacting temporary measures that will be effective only until next May and apply strictly to the plots in question. A senior official at the Defense Facilities Administration Agency says: "I think the SDP cannot help but nod in approval if the scope of the special legislation is narrowed down to the limit."

Regarding enactment of the special legislation, which carries a strong overtones of high-handedness, SDP Secretary General Kanji Sato says: "We strongly object to radical measures." However, not all SDP members share this view. Shun Oide has said: "The prefectural government cannot get away with its irresponsibility." Kosuke Uehara has said: "Personally, I am opposed to it, but there is a good possibility the administration will take appropriate measures to deal with the problem of illegal occupation." Thus, it is uncertain which direction the SDP will move in the future.

Top prefectural government officials have been vigorously contacting senior SDP officials since last month, running around to explain the prefectural government's position. Expecting a showdown when the special legislation issue surfaces in the Diet session, prefectural officials hope to gain the SDP's understanding by then.

As the climax approaches, the central and prefectural governments are expected to engage in a "tug-of-war," with the SDP caught in the middle.

#### **Japan: Kajiyama on Security Pact, Return of U.S. Bases**

*OW1006111796 Tokyo FNN Television Network in Japanese 2322 GMT 8 Jun 96*

[Panel discussion by Chief Cabinet Secretary Seiroku Kajiyama, political commentator Kenichi Takemura, and MAINICHI SHIMBUN editorial staff member Takao Iwami; moderated by Yuji Kuroiwa and Kaonoko Kuge; from the "News 2001" program — live]

[FBIS Summary] Referring to an agreement reached at recent Japan-U.S. summit talks to return the USMC Futenma Air Station, Kuroiwa asks Kajiyama to explain behind-the-scene efforts that brought about the sudden decision. Kajiyama admits that it was not a result of

negotiations over many years. He says: "The prime minister started it when he visited Santa Monica."

Asked if the Social Democratic Party [SDP] is against the government's hope to draft special legislation to speed up procedures to expropriate land for use by U.S. forces in Okinawa, Kajiyama says: "It is not necessarily true that the SDP is against it. The party is just taking a prudent stand." He adds: "To be specific, there will be 3001 cases similar to Mr. Chibana's case. We will do our best to persuade the landowners to renew their leases. To tell you the truth, however, I am not sure if we will be able to settle the issue. The bigger problem is what will happen if we cannot provide the U.S. forces with base land required by the Japan-U.S. Security Treaty, which is the basis of Japan-U.S. relations."

On the issue of moving the U.S. military bases in Okinawa to mainland Japan, Kajiyama says: "The recent agreement was reached within the framework of reorganizing and consolidating the bases and, at the same time, not reducing the functions of the military bases. I am sure that right-minded people can understand that military bases cannot be suddenly reduced to zero."

Iwami asks Kajiyama what he means by "absolute pacifism" in the so-called Kajiyama vision, which was announced last year. Kajiyama explains the need to keep the security treaty, saying: "Any war has to be prevented by all means. There is an old saying that a country feeds soldiers for 100 years for one battle. Soldiers are kept to prevent war from happening. In other words, it is insurance." "The United States is assuming the posture of keeping 100,000 soldiers in the Far East — 100,000 in Asia, and 100,000 in Europe. The United States is the only country capable of doing that." Kuroiwa asks if Japan will be involved in combat action with the United States. Kajiyama says: "No. This is what I mean by absolute pacifism." He adds: "The so-called Far East military of the United States is not here only to protect Japan; the presence of the U.S. military in the Far East and the Asia-Pacific region acts as a deterrent force." The spirit of the Constitution does not allow Japan to be involved in settling international conflicts by force. It does not refer to the things on lower levels or say that Japan cannot give water or fuel to military forces of another country." He continues to explain, saying: "It is a matter of course for Japan, which became economically strong, to offer some help to the United States, which became weak economically. I do not mean to say that the United States is weak as a nation. Its government became weak."

The panel discussion ends at 2333 GMT.

**Japan: Editorial Urges Tokyo To Squarely Tackle Base Issues**

*OWI006045896 Naha RYUKYU SHIMPO in Japanese 8 Jun 96 Morning Edition p 5*

[Editorial: "Forced Use of Land Issue Enters New Phase"]

[FBIS Translated Text] The Okinawa Prefectural Land Expropriation Committee [LEC] recently asked heads of concerned municipalities to post public notices announcing that a formal request has been filed for a ruling on expropriation of about 3,000 tracts of land for 12 U.S. military facilities, including Marine Corps Air Station [MCAS] Futenma, whose leasing contracts expire in May next year. This is one of procedures needed for the continued lease of land to the U.S. forces. Because eight heads of these municipalities have already expressed their intention to reject the request, attention is focused on whether or not Governor Masahide Ota will carry out the procedure in proxy. The government has made efforts to introduce special legislation in preparation for the expiration of leases on military-occupied land next May. Under such circumstances, the issue of forced use of land for the U.S. military has entered a new phase.

Behind the government's attempt to introduce special legislation appears to lie its distrust of the LEC following the committee's refusal of the government's request for emergency use of a land plot in the U.S. Navy's Sobe communications facility in Yomitan-son (known as the elephant cage). By indicating the intention to enact new legislation the government may want to give psychological effect on the LEC to urge it to give a ruling on the land expropriation request. Although various kinds of pressure may be imposed on the LEC, we hope the committee will examine the central government's request in a calm manner and in accordance with law. We hope it will carefully hear every landowner's opinions.

The owners of military-occupied land reflect their feelings toward the past war and the subsequent exploitation of land by the U.S. military in their land. They also see future dreams in their land. This is not the first forced use of land for the U.S. military. When Okinawa reverted to Japan [in 1972], it was allowed based on the law on provisional use of public land. When the leases on military-occupied land expired in 1977, the validity of the law was extended for five years based on an additional clause in the land register law. And when the temporary legislation expired, the law on special measures concerning land used by the U.S. forces was brought out for the repeated use of land despite the fact that the law had already been "dead" in mainland Japan.

The central government has neglected efforts for the return of U.S. bases but merely invoked state power, and this has caused problems. If the government does not want to hear opinions of landowners unwilling to renew their forced leases, the LEC should do so instead. The government may claim that it has no time to spare for such things. The U.S. forces and the state continue the illegal occupation of a land plot in the Sobe communications facility. The government asserts: "Failure to provide land to the U.S. forces will harm the Japan-U.S. security alliance." The government is worried that if it loses the right to use land for U.S. bases, including Kadena Air Base and MCAS Futenma, the Japan-U.S. security system will not function properly.

However, what is ironic to the government and antiwar landowners is U.S. bases continue to operate as in the case of the Sobe communications facility. Despite the lapse of the government's legal right to use a land plot for the Sobe facility, the U.S. base and the security system continue to operate on that land. It is very strange that this has happened in a constitutional state.

Now that things have come this far, it no longer matters whether or not Japan will lose its face in the international community. There is no alternative but to promote arguments in line with the Constitution, related laws and procedures. Temporary measures such as special legislation will only confuse the situation. The landowners unwilling to renew their leases are not harassing the state and the U.S. military. They are just asserting their legal right guaranteed by the Constitution. Instead of instituting state power to force them to lease their land to the U.S. forces, the government should squarely face a fundamental problem brought forward by Okinawa's base issues.

**Japan: Over 4,000 People Gather To Oppose Iwakuni U.S. Base**

*OWI0906105496 Tokyo KYODO in English 0916 GMT 9 Jun 96*

[FBIS Transcribed Text] Yamaguchi, Japan, June 9 KYODO — Some 4,500 people took part in a rally Sunday [9 June] to oppose the U.S. base in Iwakuni, western Japan, where U.S. warplanes are to be transferred from Okinawa Prefecture.

Members of the all Japan prefectural and municipal workers' union and other people gathered from five western Japan prefectures and called for the removal of the U.S. base, the rally's organizers said.

Shoichi Chibana, the 48-year-old owner of a plot of land in the southwestern island prefecture of Okinawa occupied by the U.S. military, told the assembly, "If we keep holding this sort of rally, we can change politics."

## NORTHEAST ASIA

Chibana sought support from people in Iwakuni and other parts of Japan for his and other Okinawa landowners' fight against the central government, which intends to continue leasing their lands to the U.S. military even after the legal lease contracts expire.

After the rally, the participants marched about 3 kilometers to the Iwakuni base.

Under an agreement reached in April between Japan and the United States, more than a dozen KC-130 Hercules refueling aircraft will be transferred to the Iwakuni base from the Futenma air station in Okinawa Prefecture.

The accord stipulates that the U.S. will return the Futenma base in the city of Ginowan to local landowners within five to seven years as part of plans to scale down U.S. military facilities in Okinawa Prefecture.

#### **Japan: Tokyo Notes Okinawa Election Results, Land Lease Link**

*OW1006065696 Naha OKINAWA TIMES in Japanese  
10 Jun 96 Morning Edition p 2*

[FBIS Translated Text] The minority ruling coalition parties, which have supported Okinawa Governor Masahide Ota, beat the hitherto majority conservative parties, which include the Liberal Democratic Party [LDP] and Shinshinto (New Frontier Party [NFP]), and gained a majority of seats in the 9 June Okinawa prefectoral assembly election. In this connection, the central government is taking the results seriously, noting: "The outcome of the election shows that the issue of compulsory use of land for military purposes was directly reflected in it" (according to a government source).

From the outset of the prefectoral assembly election, Prime Minister Ryutaro Hashimoto held a severe outlook on the outcome of the election, saying: "I am not optimistic about it. There exists deep-rooted anti-government sentiments." It may be said that the outcome of the election indeed shows that the Okinawan people gave low marks to the agreement on the return of [Marine Corps Air Station] Futenma, on which the prime minister staked his political career. As a result, some government officials predict that "the Ota administration will definitely take a tougher stance" (according to a source at the Prime Minister's Official Residence) over the agreed relocation of U.S. military base facilities and functions, which was decided at a meeting of the Special Action Committee for Okinawa (SACO), and the compulsory use of a plot of land at the Sobe communications site.

The government, in particular, plans to launch full-fledged efforts to revise existing laws or enact special legislation to speed up procedures to expropriate land

for use by U.S. forces, in view of the expiration of lease contracts next May. Against such moves, it is believed that the Okinawan side, led by Governor Ota, who has strengthened his political foundation, will inevitably put up stronger resistance.

Among major political parties, the LDP lost a considerable number of seats in the prefectoral assembly election, despite its conducting support campaigns on an unusually large scale for a local election for candidates running on the party ticket. The party poured such a large amount of efforts because it considered the Okinawa election a prelude to the next nationwide general election in which Japan's security policy will face the judgment of voters.

The local chapter of the Social Democratic Party [SDP], which still upholds the traditional policy of the former Social Democratic Party of Japan, which called for, among other things, abolishing the Japan-U.S. security arrangement, lost some seats. At the national level, however, the SDP, in view of the next general election, is putting up stronger resistance to special legislation and other moves. As a result, this could develop into a new seed of dispute among the ruling coalition parties.

The Japan Communist Party, which gained many seats, is likely to begin attacking the ruling parties more fiercely now that it feels voters are supporting its anti-security arrangement policy. The NFP, which hoped to double the number of seats it was holding before the election, failed to increase the figure by large enough a margin, indicating a lack of sufficient voter support at the grass-roots level.

#### **Japan: Ota Reiterates Need for Cooperation Among Parties**

*OW1006140796 Naha OKINAWA TIMES in Japanese  
10 Jun 96 Evening Edition p 1*

[FBIS Translated Text] Governor Masahide Ota held an informal talk with reporters on 10 June. Touching on the fact that the reformist and ruling parties won the majority of seats at the prefectoral assembly election, Ota expressed confidence in his future handling of assembly affairs, and said: "It will be of help to carry out smooth management of assembly affairs." Then he stated that what matters is for the ruling and opposition parties to join hands in settling such issues as the base-related problems, and said: "Such problems as employment and promotion of independent industries in Okinawa have nothing to do with whether the ruling parties have a majority or a minority. It is an inevitable task for us to settle problems in Okinawa now. Ruling parties or opposition parties, we must cooperate with

each other to safeguard the Okinawan people's security and their livelihood as well."

In the future, the prefectural government will be forced to take strict measures to deal with the central government on various issues, including the U.S. military bases. The Japan-U.S. Special Action Committee on Okinawa (SACO) reached accord on the return of bases and another on enforced use of land plots for military use for which leases expire next May.

It is observed that the election results indicate the people's appraisal of the governor's political stance, but Governor Ota has expressed his intention to deal with the central government without any particular relation to the election outcome. He said: "I do not pay much attention to the outcome. If things are left as they stand now, Okinawa's problems will remain unchanged even after 10 years. I will do my utmost to carry out drastic plans."

Moreover, in stating his expectations for his talks with U.S. Defense Secretary Perry during his visit to the United States beginning 14 June, Governor Ota said: "In connection with base-related problems I will bring up not only the relocation issue but also the problems connected with use of land plots after their return, so as to win cooperation from the U.S. side. I hope that through my visit to the United States, I will be able to look one step ahead into the future."

#### **Japan: Okinawa's Ota Addresses Problems in U.S. Base Handover**

*OW1006133296 Tokyo KYODO in English  
1258 GMT 10 Jun 96*

[FBIS Transcribed Text] Tokyo, June 10 KYODO — Okinawa Gov. Masahide Ota on Monday [10 June] told four cabinet ministers that there are objections among residents of villages near several U.S. bases where the functions of a key U.S. Marine base are to be relocated, a government official said.

Ota made the comment during a meeting with Foreign Minister Yukihiko Ikeda, Chief Cabinet Secretary Seiroku Kajiyama, Defense Agency Chief Hideo Usui and Hokkaido-Okinawa Development Agencies Chief Saburo Okabe at the prime minister's official residence, the official said.

Ota expressed respect for the state for April's accord with the United States to recover some 20 percent of the U.S. bases in Okinawa prefecture, while adding there are "innumerable problems" in the process to consolidate, realign and reduce local U.S. bases, according to the official.

The April accord highlights the return of the Futenma air station in Ginowan, Okinawa prefecture, to local landowners in five to seven years on condition that functions of the key marine facility will be shifted within the prefecture, including the Kadena air base stationed north of the Futenma base, and to the Iwakuni marine base in Yamaguchi prefecture.

A new heliport is to be built somewhere within Okinawa prefecture under the accord, possibly in an area along the villages of Yomitan and Onna, but the villagers are strongly against moving the facility to their area.

Many Okinawa people were initially happy with the agreement on the Futenma reversion, but turned cooler after finding out the base is only to be transferred.

Foreign Minister Yukihiko Ikeda asked Ota to cooperate to help gain local support for the transfer.

Ota also called on the government for more efforts to review the Japan-U.S. Status of Forces Agreement to reduce local residents' disturbance from the presence of U.S. bases and to further curb noise problems from U.S. bases.

Chief Cabinet Secretary Seiroku Kajiyama brushed aside concern over Sunday's Okinawa prefectural assembly election by telling Ota that all parties in the central and prefectural circles hold almost the same stance to consolidate, realign and reduce U.S. bases in the prefecture.

Ota's campaign to scale down the U.S. military presence in Okinawa prefecture got a boost Sunday with his ruling camp capturing a majority in the prefectural assembly.

The election outcome is expected to give a boost to Ota's drive to get all military bases off Okinawa within 20 years and thus affect the Central Government's posture on Japan's security arrangements and Okinawa bases.

Prime Minister Ryutaro Hashimoto told reporters earlier in the day, "it was a severe outcome as I had expected."

Asked if the results represented the prefectural people's dissatisfaction with the Central Government's treatment of issues involving U.S. bases on Okinawa, Hashimoto said there is some question about whether there is a link but that the state government will do its utmost so that the people appreciate the efforts.

Immediately before the session with the four cabinet ministers, Ota met the prime minister and discussed economic difficulties in the southernmost Japanese prefecture, the governor told reporters.

Monday's half-hour session with Hashimoto focused on local economic issues, such as high unemployment rates, and did not cover the issue of the U.S. military presence, Ota said.

Ota told the premier he will mainly discuss economic issues during his upcoming visit to the U.S., he said.

Although the island of Okinawa accounts for less than 1 percent of Japan's total land area, some 75 percent of all the land in Japan reserved for U.S. military use is located there.

The drive against the local U.S. military presence increased in the wake of last September's rape of an Okinawa schoolgirl, for which three American servicemen have been convicted.

#### **Japan: Record Low Turnout Likely in Okinawa Assembly Election**

*OW10061010796 Tokyo KYODO in English  
0018 GMT 10 Jun 96*

[FBIS Transcribed Text] Naha, Japan, June 9 KYODO — Turnout is likely to hit an all-time low in Sunday's [9 June] Okinawa prefectural assembly election in which Gov. Masahide Ota's handling of U.S. bases is a central issue.

A total of 78 candidates are vying for the 48-seat assembly of the southwestern island prefecture. In two of the seats, unopposed candidates won without a vote.

Voter turnout stood at 52.5 percent by late afternoon and is expected to reach a record low of around 66 percent, the election administration committee said.

The outcome is crucial to Ota, whose ruling camp, before the election, controlled only 21 seats, compared with 25 seats held by the opposition parties. Two seats were vacant.

Ota has led a campaign calling for scaling down the U.S. military presence in his island prefecture, making the election something of a referendum on his achievements.

He has refused to cooperate with the central government over extending forced land rental contracts for U.S. forces. Amid growing anger among Okinawa people at U.S. military bases, Tokyo and Washington struck a deal in April to reduce the U.S. military presence in the prefecture.

Although the island of Okinawa accounts for only about 0.6 percent of Japan's total land area, some 75 percent of all the land in Japan reserved for U.S. military use is located there.

#### **Japan: Final Returns in Okinawa Election Reported**

*OW10061010796 Tokyo KYODO in English  
0018 GMT 10 Jun 96*

[FBIS Transcribed Text] Naha, Japan, June 10 KYODO — Gov. Masahide Ota's campaign to scale down the U.S. military presence in Okinawa Prefecture has got a big boost Sunday [9 June] night as his ruling camp captured a majority in the prefectoral assembly, results showed Monday.

Of the 48 seats up for grabs, Ota's camp, including the Social Democratic Party and the Japanese Communist Party, garnered a total of 25 seats, up by four.

The opposition side, including the Liberal Democratic Party and Shinshinto (New Frontier Party), captured 23 sets, down by two. Among them were two unopposed candidates who won without a vote.

This is the first time since 1980 that the reformist side has captured a majority in the assembly in Japan's southernmost prefecture.

The results apparently reflect Okinawa residents' wish to see issues surrounding the U.S. military bases resolved once and for all.

It is almost certain that results of Sunday's assembly election will give a boost to Ota's drive to move all military bases off Okinawa within 20 years and thus affect the central government's posture on Japan's security arrangements and Okinawa bases.

Ota accepted the results calmly. "Since we have received almost the same number of votes we had forecast, we don't have any particular sentiment that we have dramatically overturned the ruling-opposition balance," he said at a press conference.

Voter turnout stood at 66.4 percent, down 9.4 percentage points from the previous election.

Ota said he felt a burgeoning sense of uncertainty among people working at the U.S. bases and local landowners in terms of employment and effective utilization of the land after the U.S. decision in April to return Futenma air base to Japan.

"I will try to help dissipate these uncertainties on the part of the people concerned while calling for the return of more Okinawa bases," he said.

Asked whether he will conduct the procedures needed to rule on expropriation of land owned by local residents for use by the U.S. military if the heads of the municipalities concerned refuse to do so, Ota said the matter has nothing to do with the election results as it concerns basic prefectoral policies.

Although Okinawa prefecture accounts for only about 0.6 percent of Japan's total land area, it provides some 75 percent of the land in Japan reserved for U.S. military use.

Calls for a radical reduction of the U.S. military presence in Okinawa intensified last fall after the abduction and rape of a primary schoolgirl by three U.S. servicemen.

In Tokyo, Prime Minister Ryutaro Hashimoto told reporters in the Diet building in Tokyo, "it was a severe outcome, as I expected."

Asked if the results represented the Okinawa people's dissatisfaction with the central government's handling of the U.S. bases issue, he denied this and said, "we will do the utmost so that they will appreciate our efforts."

Chief Cabinet Secretary Seiroku Kajiyama, the top government spokesman, told a press conference that almost all the parties have advocated the same stance as the government, that is, to consolidate, realign and reduce American bases in Okinawa, and the policy was not a big issue in the prefectural assembly election.

The Japanese Communist Party has insisted on the removal of all U.S. bases in Okinawa Prefecture, but Gov. Ota has pledged efforts to help landowners who depend on rent from the U.S. military and local people who work at the bases, Kajiyama said.

#### **Japan: Editorial on Outcome of Okinawa Elections**

*OWI106113996 Naha RYUKYU SHIMPO Japanese  
10 Jun 96 Morning Edition p 5*

[Editorial: "Ruling Party Wins Majority in Prefectural Assembly Election"]

[FBIS Translated Text] Will the ruling-opposition balance be overturned or will the opposition parties maintain a majority? This was the largest focal point of the seventh Okinawa Prefectural Assembly election held on 9 June. Votes were counted on the same day and it turned out that Ota's ruling reformist government won a majority and the ruling-opposition balance was overturned. Because of this, the Ota prefectural government will be able to handle military base issues and manage prefectural government affairs easier than before. Moreover, the election result will be of great significance in terms of predicting the future for the conservative and reformist camps in lower house national elections.

The voting rate was 66.36 percent, far lower than that of the previous election and is a record low in prefectural elections. It was an election that proves that people are "keeping their distance from politics." Of the 48 seats up for grabs, the (reformist) ruling camp won 25, four

more than the current number of seats it has, and thereby overturned the ruling-opposition balance. This was the voters' judgment. Because of this, the balance of power was overturned for the first time in 18 years and the ruling and reformist camp will dominate the prefectural assembly. The (conservative) opposition side won 23 seats and became a minority.

The prefectural assembly election was held following the revision of the number of seats for election districts, in which one district lost two seats and another won two additional seats. Of the 78 candidates, 35 people ran for election for the first time and fierce battles unfolded. In Naha district, which lost two seats, 22 candidates competed for 11 seats and the opposition parties fought well. Candidates of the ruling parties had advantages over other candidates in such districts as Gushikawa, Nakagami, and Hirata city.

#### **Lack of Policy Debate**

Reorganization and reduction of military bases, utilization of base land, industrial development, and creation of employment opportunities are special tasks of the prefectural government. Each party assumes the stand of attaching importance to these issues and candidates of all parties incorporated these tasks in their political policies. As far as the movement regarding base issues is concerned, however, the Ota government unfolded an active campaign to deal with them. It seems that such efforts by the Ota government were welcomed by the prefectural people and, in return, worked in favor of the reformist candidates in the recent election.

Nevertheless, the voting rate continues to drop as is the case for lower and upper house elections. It is undeniable that prefectural people are losing their interest in politics and elections. Candidates failed to explain their policies to the voters and, as some people pointed out, their points lacked clarity. The pattern of their election campaign was not much different from that of previous elections.

Following an incident last fall in which U.S. soldiers raped a schoolgirl, the prefectural people realized once again the seriousness of the base issues and the need to break free from an economy that depends on U.S. bases. Although there are regional differences, the issues have been characterized as common tasks of the prefectural people. It is our conclusion that the prefectural government's posture of promoting reorganization, reducing U.S. bases and utilizing the base land, and the trend of the society regarding the base issues had some impact on the election.

The winners will hold their posts in the prefectural assembly until 2000. According to a RYUKYU SHIMPO

survey conducted immediately before the election, however, voters said that they would want winners to buckle down to welfare, U.S. base, and employment issues. Meanwhile, the candidates emphasized base issues, welfare matters, and agricultural and fisheries projects as their political tasks, according to another survey conducted before they announced their candidacies.

The survey indicates that we can narrow down Okinawa's major tasks to welfare matters, base issues, employment measures, and promotion of industrial development. The winners' capabilities are yet to be tested for the 21st century.

Due to the Japan-U.S. Security Treaty, base issues develop into national and diplomatic affairs. In Okinawa, however, the prefectural government and assembly have influential power over base issues. The central government and the people across the nation are paying attention to political trends in Okinawa. How will the political circles in the central government accept the election results? How will the central government reflect the election results on measures toward Okinawa? The recent prefectural election will become an influential element in making political decisions.

#### **Supra-Partisan Settlement of Base Issues Urged**

While trying to strengthen and expand the functions of political and working-level councils, both Japanese and U.S. Governments agreed to return USMC Air Station Futenma [MCASF].

We welcome the agreement itself. However, the agreement was made on condition that MCASF be moved to another place in Okinawa. Both governments' adherence to a settlement within the framework of relocating U.S. bases in Okinawa invited major opposition from municipalities concerned and the Okinawan people.

Emphasizing the return of MCASF as a symbolic settlement case of base reorganization and consolidation, the central government is calling for the prefectural government's understanding for staged and realistic settlement of base issues. The Liberal Democratic Party [LDP] is also urging the prefectural government settle the issue in that direction. Will the Ota prefectural government continue to oppose relocation of U.S. bases within Okinawa and deal with the issues flexibly? The governor's decision will become a major key to settlement of the base issues. Needless to say, the prefectural assembly's actions will also become important factors.

The LDP, the Social Democratic Party [SDP], and Sakigake reorganized the political world by forming a coalition government. LDP President Ryutaro Hashimoto became prime minister and successor to SDP Chairman Tomiichi Murayama. With this as a political background

and while some people are becoming cautious of the trend in the central political world to assume a conservative stand over such issues as globalization of the Japan-U.S. Security Treaty and improving emergency systems, the Okinawan people made their decision.

We hope that the central government will understand the Okinawan people's intention and use the election results as a reason to review, among other things, the movement to draft special legislation to speed up procedures to expropriate land for use by U.S. forces and the agreement on conditional return of bases. Moreover, we are of the view that the central government has no choice but to accept that the election results will predict the outcome of a general election, which is expected to be held before the end of this year.

We are certain that the 48 winners will take an active part in politics in line with their party policies or on the basis of their individual political beliefs. However, settlement of the base issues, creation of employment opportunities (by promoting industrial development), and improvement of the welfare system are major tasks of Okinawa.

We hope that from the overall standpoint of the prefectural people, they will contribute to Okinawa's interests by aiming to create a peaceful and affluent prefecture, where people can enjoy a good life, and occasionally exerting supra-partisan efforts in dealing with these issues.

#### **Japan: Editorial Asks for Thorough Investigation of Shoot Down**

OW1006033696 Tokyo YOMIURI SHIMBUN  
in Japanese 6 Jun 96 Morning Edition p 3

[Editorial: "Preserve U.S. Faith in Defense Ties"]

[FBIS Translated Text] During a live-fire target practice, an escort ship of the Maritime Self-Defense Force [MSDF], which is taking part in the RIMPAC 96 (Rim of the Pacific) joint exercises, accidentally shot down a U.S. Navy bomber, which was towing a target. It was an accident that should never have happened.

The two crewmen of the bomber were rescued by the escort ship and did not suffer serious injuries, which is truly fortunate.

The MSDF decided to discontinue training involving antiaircraft guns until the cause of the accident is determined. This is a common sense action from the viewpoint of preventing a similar accident from happening.

The escort ship's high-tech antiaircraft gun system is used, in combination with radar, to shoot down missiles or other objects approaching head-on within several

hundred meters of a vessel. The system, which was developed by the U.S. Navy, was adopted by Japan in 1981.

The MSDF's main escort ships are equipped with this system. It is said that this is the Self-Defense Force's [SDF] first accident involving the system. However, memories remain fresh of a similarly shocking incident in November last year, when an F-15 jet fighter from the Air Self-Defense Force's [ASDF] Komatsu Base accidentally fired a missile and shot down another ASDF fighter during scramble training.

These accidents show how human error and malfunctions can cause unexpectedly serious accidents, in light of the highly destructive capacities of high-tech weapons.

This was the 15th RIMPAC exercise. Up until now, the MSDF's fighting performance had always won high marks.

At the Tokyo summit held in April, Japan and the United States announced a joint declaration, "reconfirming" the importance of the bilateral security arrangement. They agreed to build on cooperative ties in the field of defense to ensure peace in Japan and the Asia-Pacific region.

The government must take all necessary measures to honor that agreement and quell possible distrust in the United States of the SDF and the bilateral security arrangements might arise as a result of the accident.

"We are very sorry," said Prime Minister Ryutaro Hashimoto in Diet interpellations concerning the accident. The Defense Agency and MSDF immediately expressed apologies to the United States. Perhaps, this stemmed from a desire to minimize the accident's effects on bilateral relations.

The U.S. Government said the accident was "regrettable but would have no adverse effect on joint naval exercises of Japan and the United States." U.S. President Clinton also responded with a cool head in accepting the Japanese Government's expression of regret. We welcome his judgment, as it reflects the importance he attaches to bilateral relations.

It seems for the time being that there is little possibility that the United States is to blame for the accident. Some possibilities might be: inadequate communication among the escort ship crew; the escort ship's crew failed to follow procedures and pressed the firing switch of the antiaircraft gun before the target-towing bomber passed over the vessel; the antiaircraft gun system itself suffered system errors and malfunctioned.

To prevent this accident from causing U.S. distrust of the SDF or causing the United States to question

the wisdom of Japan-U.S. defense cooperation, the government must thoroughly investigate the accident and determine who was responsible. That will be essential for the formulation of measures to prevent such accidents in the future.

**Japan: Hashimoto, Defense Chief on 'Crisis,' Military Topics**

OW1006020596 Tokyo KYODO in English  
0125 GMT 10 Jun 96

[FBIS Transcribed Text] Tokyo, June 10 KYODO — Prime Minister Ryutaro Hashimoto said Monday [10 June] the government needs stepped-up "crisis control management" for dealing with emergencies such as natural disasters.

Addressing high-ranking officers of the self-defense forces at the Defense Agency, Hashimoto said, "we in the government are keenly aware of the need for strengthening our crisis control management to cope with big natural disasters and other emergencies."

Defense Agency Director General Hideo Usui, addressing the same gathering, called for utmost care in conducting military exercises.

He cited the accidental shooting down last week of a U.S. carrier-based aircraft by a Japanese destroyer during a military drill off Hawaii and last November's accidental shooting down of an Air Self-Defense Force (ASDF) F-15 fighter plane by another F-15 off Noto Peninsula in Ishikawa Prefecture.

Touching on the military situation in East Asia, Usui said North Korea has about two-thirds of its ground forces deployed near the demilitarized zone between North and South Korea to cope with any emergency.

Usui said China is promoting the modernization of its military capabilities both at sea and in the air as well as its nuclear armament capability.

**Japan: Think-Tank Gives Regional Security Proposal to Hashimoto**

OW1106043496 Tokyo YOMIURI SHIMBUN in Japanese 6 Jun 96 Morning Edition p 3

[FBIS Translated Text] "The Japan Forum on International Relations, Inc." (with President Takashi Imai of Nippon Steel Corp. as its chairman) is a private think-tank on international issues and foreign policies and composed of scholars, businessmen, and others. On 5 June, the forum worked out a policy proposal entitled "Possibility and Role of a Security System in the Asian-Pacific Region," and submitted it to Prime Minister Ryutaro Hashimoto.

The characteristic of the 11-point proposal is that it regards the Japan-U.S. security arrangements and the multinational security systems such as the ASEAN Forum as mutually complementary. Based on this concept, the proposal advocates the efforts to turn Russia and the PRC "into responsible partners in jointly settling various issues concerning the international community" as its long-term strategy. It also notes that Japan should make efforts to maintain and promote the Japan-U.S. security arrangements and positively get involved in the multinational security systems. (The details of the proposal will be published in the 9 June morning edition.)

#### **Japan: Agency Studies Support System Apart From ACSA**

*OW1006045996 Tokyo NIHON KEIZAI SHIMBUN in Japanese 8 Jun 96 Morning Edition p 2*

[FBIS Translated Text] On 7 June, a top official of the Defense Agency [DA] commented on an ideal way of giving logistics support to the U.S. forces during emergencies in the Far East. He stressed "we would like to make our support firmer" than the "Acquisition and Cross-Servicing Agreement" [ACSA] signed by Japan and the United States in April. He disclosed the fact that the DA had begun studying the possibility of forming a stronger framework of support besides ACSA, which excludes munitions from the list of supply goods. There is a gap between the Ministry of Foreign Affairs [MOFA] and the DA in interpretation of ACSA's application. MOFA says it may be partly possible to apply the agreement during an emergency, but the DA says it should be limited to joint training and exercises.

#### **Japan: Tokyo To Propose New Tripartite Semiconductor Talks**

*OW1006092396 Tokyo MAINICHI SHIMBUN in Japanese 7 Jun 96 Morning Edition p 9*

[Article by Ken Matsuki]

[FBIS Translated Text] In connection with the Japan-U.S. semiconductor accord, which is due to expire at the end of July, an idea of holding Japan-U.S.-European Union [EU] intergovernmental consultations has surfaced to discuss industrial cooperation, a government source disclosed on 6 June. In the private sector, the Japanese semiconductor industry has already proposed to the U.S. industry that a global semiconductor forum be held to promote cooperation in analyzing market trends as well as standardizing technologies. The new government-level consultations are designed to support indirectly the private sector's cooperative relations. This idea, which also includes the possibility of holding government-private sector joint consultations, is likely to break an impasse at the negotiations with the United

States, which has strongly demanded "government involvement."

The idea for new Japan-U.S.-EU intergovernmental talks is a desperate measure taken to weaken the color of controlled trade in the Japan-U.S. agreement, while securing the government involvement requested by the United States. In connection with the private sector semiconductor forum, the extent of involvement of the new intergovernmental consultations in pending issues such as research on the share of foreign-made semiconductors is likely to be the focal point in the future.

The governments of Japan and the EU nations have already held regular consultations on industrial cooperation in several sectors, such as the electric home appliance industry. The EU is very likely to respond positively to the proposal for creating the new tripartite consultations because it has criticized the existing Japan-U.S. semiconductor accord as "contrary to free trade."

On 31 May, the Electronic Industries Associations of Japan (EIAJ) proposed to the U.S. Semiconductor Industry Association (SIA) new industrial cooperation. In particular, it suggested holding a "global semiconductor forum" among Japan, the United States, and European countries purely at the private sector level.

Instead of share research, which is conducted under the existing bilateral semiconductor accord, the EIAJ seeks to analyze the market trend by using the World Semiconductor Trade Statistics (WSTS) and trade statistics, and to report results to each other at the private sector level. In addition, the EIAJ has shown its clear-cut "refusal of government involvement" in a task of cooperation between the Japanese and foreign semiconductor makers, as well as a task of industrial cooperation in standardizing manufacturing technologies for next-generation semiconductors.

However, the U.S. Government has strongly demanded "government involvement" in concluding the new agreement and other issues under the Japan-U.S. intergovernmental framework. Therefore, following Chief Cabinet Secretary Seiroku Kajiyama's remark approving limited government involvement, some Japanese Government officials have begun showing a flexible attitude toward "government involvement."

**Japan: Vice Minister-Level Chip Talks Scheduled with U.S.**

*OWI106060696 Tokyo KYODO in English  
0450 GMT 11 Jun 96*

[FBIS Transcribed Text] Tokyo, June 11 KYODO — Japan and the United States will hold informal vice ministerial semiconductor talks June 20-21 in Washington in a bid to break the deadlock over the soon-to-expire bilateral chip accord, a Japanese trade official said Tuesday [11 June].

Prior to the meeting, the two countries will also hold working-level sessions in Tokyo next Monday and Tuesday, said the official at the Ministry of International Trade and Industry (MITI).

The two meetings were proposed by International Trade and Industry Minister Shunpei Tsukahara when he met with U.S. Ambassador to Japan Walter Mondale earlier in the day. Mondale welcomed the proposal, the official said.

At the vice ministerial level, Yoshihiro Sakamoto, MITI vice minister for international affairs, will meet with Ira Shapiro, senior counsel and negotiator at the Office of the U.S. Trade Representative.

The two senior officials had met in Paris during the ministerial meeting of the Organization for Economic Cooperation and Development (OECD) in late May.

They are expected to freely exchange views on a Japanese electronics industry group's recent proposal for a private-sector partnership framework to replace the current Japan-U.S. Governmental chip agreement that expires July 31, the official said.

The Sakamoto-Shapiro meeting will help lay the groundwork for upcoming talks between the Japanese and U.S. semiconductor industries to forge a partnership, he said.

Sakamoto and Shapiro will also discuss the possibility of a second trilateral session among Japan, the U.S. and the European Union (EU) to discuss global semiconductor issues, the official said.

The three parties held the first such session in May, but the second has been in limbo because the U.S. is showing reservations about the meeting.

Similar topics will be covered at the working-level session between Yoshio Ichiryu, deputy director general of MITI's Information and Machinery Industry Bureau, and his U.S. counterpart, according to the official.

Meanwhile, Japan also plans to hold sessions with the EU in the near future, the official said.

Tsukahara's proposal for holding the vice ministerial meeting with the U.S. came rather abruptly because MITI has insisted that it will be meaningless to hold governmental chip talks before Japanese and U.S. chip makers have reached a partnership agreement.

Japanese and U.S. chip makers are negotiating a partnership deal, but they are divided as to whether they need continued government involvement in the chip sector after the expiry of the current accord.

The recent proposal by the electronic industries association of Japan flatly rejected such government involvement.

Representatives of the association and the U.S. semiconductor industry association are expected to meet later this month.

The U.S. government agrees with Japan's stance of monitoring the private-sector initiative. But it also wants to hold government-level talks along with it. The MITI official said satisfying the U.S. demands in some form will lead to smooth private-sector discussions.

**Japan: Ikeda, Australian Counterpart on Security Council Seat**

*OWI106042296 Tokyo ASAHI SHIMBUN  
in Japanese 6 Jun 96 Morning Edition p 7*

[FBIS Translated Text] On 5 June, Foreign Minister Yukihiko Ikeda met with his Australian counterpart Alexander Downer at the Foreign Ministry's likura Guest House in Tokyo. During the meeting, Downer reiterated Australia's support for Japan's bid for permanent UN Security Council membership, and said: "Japan should be admitted as a member with veto rights." In this way, Downer clarified his stance on opposing the concept of "permanent member nations without veto rights," as maintained by such countries as the non-aligned nations.

Moreover, regarding the Japan-U.S. joint statement on security, Foreign Minister Downer welcomed it and said: "It will safeguard the basic [security] structure of the Asian-Pacific region."

**Japan: Spokesman on Aid for DPRK, Other Issues**

*OWI106104296 (Internet) Japanese Ministry of Foreign Affairs WWW in English 7 Jun 96*

[News Conference by Japanese Ministry of Foreign Affairs spokesman Ken Shimanouchi with unidentified reporters on 7 June; place not given; from the "What's New" link]

[FBIS Transcribed Text] [Topics of Discussion] I. Visit to Japan by Minister for Foreign Affairs John Gosse

Downer of Australia II. United Nations appeal for emergency humanitarian assistance for North Korea III. The policy of Japan regarding Comfort Women IV. Possible contribution by Japan to United Nations emergency humanitarian assistance for North Korea V. Japan-Republic of Korea relations VI. The reported death of Khmer Rouge leader Pol Pot

#### **I. Visit to Japan by Minister for Foreign Affairs John Gosse Downer of Australia**

Foreign Ministry Spokesman Ken Shimanouchi: Good afternoon, ladies and gentlemen. As you are probably well aware, Minister for Foreign Affairs John Gosse Downer of Australia was in Tokyo for an Official Visit on 5 and 6 June. On 5 June, the two foreign ministers had a meeting, followed by dinner. I would like to give you some of the salient points discussed in the meeting and at the dinner. They discussed quite a few subjects — international issues and bilateral matters. They discussed North Korea, and, on the subject, Minister for Foreign Affairs Yukihiko Ikeda expressed his appreciation to Australia for the AUS2 million dollars in additional contributions that Australia decided to make to the Korean Peninsula Energy Development Organization (KEDO). In response, Foreign Minister Downer said that KEDO was something that Australia could not neglect, from the perspective of security in the Asia-Pacific. He further said that he himself was calling on ASEAN (Association of Southeast Asian Nations) and European countries to make further contributions to KEDO. They also discussed regional, Asia-Pacific security issues. Foreign Minister Downer highly praised the Japan-U.S. Joint Security Declaration issued at the time of the visit to Japan in April by President William Clinton of the United States of America. Foreign Minister Ikeda told Foreign Minister Downer that Japan appreciated the fact that Australia was the first country to issue a message welcoming the Declaration. He added that the Declaration did not change the mechanism of the Japan-U.S. Security Arrangements, but made the arrangements more effective. Foreign Minister Ikeda stressed the need to keep the United States engaged in the affairs of the Asia-Pacific. He stressed the importance of keeping the United States engaged in APEC (Asia-Pacific Economic Cooperation) and the ARF (ASEAN Regional Forum), to be more specific. Foreign Minister Downer said that Australia shared this position, and that it was important for the United States to remain engaged in the Asia-Pacific from the perspective of maintaining peace in this part of the world. They also discussed ASEM (Asia-Europe Meeting). Foreign Minister Ikeda said that in the meeting in Bangkok, Japan clearly stated its support for Australia's participation in the next meeting of the ASEM, scheduled to be held in London. He said

that there was no particular response from the participants in the Bangkok Meeting, and that he was under the impression that the question of new participants will be discussed in the London Meeting. Foreign Minister Downer thanked Foreign Minister Ikeda for Japan's support, and said that Australia wished to participate in the London Meeting. They also discussed United Nations-related issues — APEC, the WTO (World Trade Organization). They discussed the archipelagic sea lanes of the Republic of Indonesia, and they discussed bilateral matters, as well. In the context of bilateral issues, regarding the Joint Declaration on the Japan-Australia partnership issued at the time of last year's visit to Japan by Prime Minister Paul Keating of Australia, Foreign Minister Downer expressed that, as a way of translating this Declaration into practice, Australia wished to cooperate with Japan in the area of security. Foreign Minister Ikeda, in response, said that it was our job to put into practice the Joint Declaration, and that the two countries should participate, not only in economic areas, but in security areas as well.

That is the announcement that I wanted to make, and I will be delighted to respond to any questions that you might have.

#### **II. United Nations appeal for emergency humanitarian assistance for North Korea**

Q: This morning, Foreign Minister Ikeda, appearing before the Foreign Affairs Committee in the Lower House of the Diet, said that even though the North Korean military might have a stock of rice, it is not a good idea to wait for them to release that material — to wait for that time and wait for the North Korean people to suffer. Does this statement mean that Japan will go on with the food aid called for by the United Nations, without any transparency measures by the North Koreans on the distribution of the rice?

A: I think you are referring to the appeal issued by the United Nations early this morning, Tokyo Time?

Q: Yes.

A: In view of the fact that an appeal for emergency humanitarian assistance for North Korea has been issued by the United Nations, Japan is now considering, from an emergency humanitarian perspective, how we might cooperate with this initiative. We will be considering a response to this appeal, maintaining close contact with the Republic of Korea and the United States of America. That is our position regarding the appeal.

Q: Further to that, with that kind of situation and the co-hosting of the World Cup, will there be any other high-level talks between South Korea, Japan and the

**United States** within this month, as was held on Cheju Island in Hawaii a month before?

A: I think the next round is scheduled to take place this time somewhere in Japan. I am not aware of the exact timing of these talks.

### **III. The policy of Japan regarding Comfort Women**

Q: Recently, some of the conservative politicians have raised the issue of the so-called Comfort Women. They have called this a commercial act and said that they could not admit that there was the Japanese military government's involvement in this. Concerning this, there are a lot of problems being caused. The Foreign Ministry of China has released a statement condemning this. The New Korea Party of Korea has also released a comment on this. Is there any response from the Ministry of Foreign Affairs on this matter?

A: We do not know exactly what was stated by these politicians. We do not know anything beyond what has been reported in the media. But, the position of the Government of Japan on the issue of Comfort Women is very, very clear. As you may recall, a number of years ago, the Government of Japan conducted an extensive study relating to Comfort Women. The result of the Government study was announced in 1993 by the Chief Cabinet Secretary. Let me quote from the statement of the Chief Cabinet Secretary made at that time. He said, "The recruitment of the Comfort Women was conducted mainly by private recruiters who acted in response to the request of the military. The Government study has revealed that in many cases, they were recruited against their own will, through coaxing, coercion, etc., and at times, administrative and/or military personnel directly took part in the recruitment." That is the Government's perception of this issue. In the same statement by the Chief Cabinet Secretary, the Government expressed its apology and deep remorse over the suffering that Japan caused the former Comfort Women. This apology and expression of deep remorse has been reiterated at the highest levels of Government, including by the Prime Minister. We intend to continue to address this issue sincerely by cooperating in every way possible with the Asian Women's Fund, so that their project will be implemented as soon as possible. That is the position of the Government of Japan.

### **IV. Possible contribution by Japan to United Nations emergency humanitarian assistance for North Korea**

Q: Regarding the North Korean food crisis, some of the newspapers this morning have given figures of a US\$1 million contribution from Japan. Have you reached that stage yet?

A: No, we have not reached that stage. We have just initiated consideration of this matter. Nothing specific has been decided with regard to the contents of the assistance.

Q: Do you have any idea when the Government will finally decide what it will do?

A: No. We are studying this matter, and will reach a conclusion in due course. That is all I can say at this moment.

Q: Why does Japan want to send rice to North Korea? Why bother?

A: We never said that we were sending rice in response to this appeal from the United Nations. As I said, the contents of the Japanese assistance has not been decided yet. We are still considering a response to the United Nations appeal.

Q: Then the question should be, does Japan intend to help?

A: We are studying this matter from a humanitarian perspective. We have not reached any conclusion yet. We are studying this matter.

Q: So, it is primarily a humanitarian consideration that the Japanese Government is considering as it evaluates this request — not trying to open up ties with North Korea, or business contacts with North Korea, or just contacts with North Korea — as purely a humanitarian concern on the part of the Japanese Government?

A: For some time in North Korea, there has been a very serious food situation which has been deteriorating in recent months. That is one of the reasons that we are considering this appeal — from a humanitarian perspective. That is why the United Nations sent a team to look at the situation in North Korea in the first place.

Q: Since the weekend is coming, do you anticipate having anything for us later today? Later this evening, perhaps, would it be worthwhile checking back?

A: I do not want to speculate.

### **V. Japan-Republic of Korea relations**

Q: The Japanese Diet passed the Maritime Law today, and the next step, according this law, would be the drawing of the lines between Japan and Korea. How does the Government of Japan intend to do this, and where does it draw the line on this?

A: I think the two governments agreed to hold consultations on this question of the demarcation of the economic zones under the new Law of the Sea Treaty

regime. I think discussions are being held with regard to when to hold these consultations.

**Q:** There are many issues now between Japan and Korea — even more, I guess, with this Maritime Law, the U.N. appeal, and also the World Cup Case. Are there any plans on behalf of the Foreign Minister or the Prime Minister of Japan to visit Korea in the near future?

**A:** There is a standing invitation from the Republic of Korea for Foreign Minister Ikeda to visit the Republic of Korea. But, there has been no new invitation from the Republic of Korea side after the World Cup decision. At this stage, we are not considering any specific plans for the Foreign Minister to visit the Republic of Korea. Of course, those of us at the working level of the Ministry of Foreign Affairs would like for Foreign Minister Ikeda to visit the Republic of Korea as soon as possible. However, when we consider the overseas travel plans of the Foreign Minister, we have to take a number of factors into account. In the case of the Republic of Korea, perhaps the decision by the Federation Internationale de Football Association (FIFA) for Japan and the Republic of Korea to co-host the World Cup is a factor to be considered. But, there are other factors that we have to take into consideration. So, at this stage, we are not studying in specific, concrete terms, a visit of the Foreign Minister to the Republic of Korea.

**Q:** Is the case the same for the Prime Minister?

**A:** There is also a standing invitation for Prime Minister Ryutaro Hashimoto to visit the Republic of Korea. But, in this case also, we have to take a number of factors into account. So, no plans have been decided yet.

#### VI. The reported death of Khmer Rouge leader Pol Pot

**Q:** Does the Ministry of Foreign Affairs have any comments on the reported death of Cambodia's Pol Pot?

**A:** We are aware of reports about the death of Khmer Rouge leader Pol Pot. There had been reports for some time that he was ill. We are now collecting information through our embassy in Phnom Penh regarding this report to see if it is true. We are told that the Ministry of Foreign Affairs and International Cooperation of the Kingdom of Cambodia has unofficial reports of Khmer Rouge leader Pol Pot's death. With regard to the current state of the Khmer Rouge, in 1994, as you know, it was declared legal. Since then, the number of men in the Khmer Rouge forces has dwindled to around 2,000 to 4,000 from a peak of 30,000 to 40,000. We are told that they also have problems, such as an aging leadership and a large number of desertions. We believe that the influence of the Khmer Rouge is dwindling.

Since we have not officially confirmed Khmer Rouge leader Pol Pot's death at this moment, we would not like to speculate on what impact that this might have on the Khmer Rouge. But, given the situation that I described to you, we believe that this will have very little impact on the general situation in Cambodia. Thank you very much.

#### Japan: 'Government Sources' on Financial Aid for DPRK

OW0706115296 Tokyo KYODO in English  
1034 GMT 7 Jun 96

[FBIS Transcribed Text] Tokyo, June 7 KYODO — Japan has started considering financial assistance of about 2 million dollars to food-short North Korea in response to an appeal by the United Nations for aid, government sources said Friday [7 June].

The government plans to focus its aid on emergency humanitarian assistance, such as nutritious food for children, the sources said.

Japan will probably supply aid of roughly the same scale as that provided by the United States, which has suggested over 2 million dollars of emergency assistance.

Foreign Minister Yukihiko Ikeda will announce the plan at a cabinet meeting after a formal decision by the end of the next week, the sources said.

"The United Nations issued an appeal (for aid to North Korea) to its member countries from a humanitarian point of view. We will weigh what we should do along this line," Ikeda told a news conference.

Taku Yamasaki, chairman of the Liberal Democratic Party's Policy Affairs Research Council, said 60 to 70 percent of the money that Japan provides will be used for buying food, with the remainder used for buying other materials.

Yamasaki also said Japan will only supply cash and denied the possibility of additional rice aid.

The U.N. called on the international community to provide food and other forms of humanitarian assistance worth 43.6 million dollars to North Korea.

Tokyo provided 500,000 dollars to Pyongyang last year in response to a U.N. call for aid.

#### Japan: Cabinet 'Will Approve' Aid to DPRK 14 Jun

OW1106060896 Tokyo KYODO in English  
0420 GMT 11 Jun 96

[FBIS Transcribed Text] Tokyo, June 11 KYODO — Japan will supply 6 million dollars worth of food aid to

North Korea in response to a U.N. appeal for 43 million dollars from the world community to stave off a food crisis, government officials said Tuesday [11 June].

The cabinet will approve the emergency humanitarian measure Friday, they said.

The money will comprise 3.1 million dollars for food for people affected by flooding which destroyed crops in the summer of last year and 2.15 million dollars for infant food, both sums going to the world food program, and a further 750,000 dollars to the U.N. Children's Fund (UNICEF) and the World Health Organization.

Earlier Tuesday, South Korea said it will supply 3 million dollars worth of food aid to North Korea in response to the U.N. appeal.

The United States is reportedly ready to announce it will supply 6.4 million dollars in food aid to North Korea.

#### **Japan: Ambassador to China Delivers Protest Over Nuclear Test**

*OWI106140996 Tokyo KYODO in English  
0722 GMT 10 Jun 96*

[FBIS Transcribed Text] Beijing, June 10 KYODO — Japan's Acting Ambassador to China on Monday [10 June] protested China's weekend nuclear weapons test.

Embassy officials said Koreshige Anami told Chen Jian [names as received], Chinese assistant vice foreign minister, during a visit to the Foreign Ministry that although China has announced it will conduct a further test by September, Japan wants China to reconsider.

Chen repeated China's assertion that its nuclear tests are for its self-defense, the officials said.

China conducted its 44th underground nuclear test at its Lop Nor testing site Saturday.

#### **Japan: Hashimoto Against Linking Trade, Human Rights**

*OWI106035396 Tokyo KYODO in English  
0203 GMT 11 Jun 96*

[FBIS Transcribed Text] Tokyo, June 11 KYODO — Prime Minister Ryutaro Hashimoto said Tuesday [11 June] he is against linking trade and human rights, the chief government spokesman said.

"If such issues are linked, we might get protectionist trade. We intend to maintain the stance that these issues should not be linked," Chief Cabinet Secretary Seiroku Kajiyama quoted Hashimoto as saying.

The Prime Minister told a cabinet meeting in the morning that the United States and some European countries have discussed linking trade and human rights.

possibly partly due to the Chinese nuclear test Saturday, Kajiyama told reporters.

He said Hashimoto's remarks followed a question from Labor Minister Sukio Iwatake about whether such linkage will be at issue in the June 27-29 summit in Lyons, France, of the Group of Seven (G-7) industrialized nations.

In response, Foreign Minister Yukihiko Ikeda told the session that the matter has been discussed at preparatory meetings of senior G-7 officials, but it has not yet been decided whether it will be on the agenda of the summit, Kajiyama said.

The G-7 group is Britain, Canada, France, Germany, Italy, Japan and the United States.

#### **Japan: Kanagawa Prefecture Protests China Nuclear Test**

*OWI106100396 Tokyo KYODO in English  
0813 GMT 11 Jun 96*

[FBIS Transcribed Text] Yokohama, June 11 KYODO — The Kanagawa prefectural government and other local governments in the prefecture Tuesday [11 June] jointly presented a letter of protest against a Chinese nuclear test last week, local government officials said.

The letter, addressed to Chinese President Jiang Zemin, said the testing runs counter to international efforts toward nuclear arms reduction, urging China to stop nuclear tests.

As the Chinese embassy refused to receive the letter, it was placed by an official of the prefectural government in the mailbox of the embassy in Tokyo.

#### **Japan: Editorial Criticizes Latest PRC Nuclear Test**

*OWI1006041096 Tokyo NIHON KEIZAI SHIMBUN  
in Japanese 9 Jun 96 Morning Edition p 2*

[Editorial: "PRC's Nuclear Testing Defies the International Community"]

[FBIS Translated Text] China has conducted its first nuclear test for this year. This makes a total of 44 nuclear tests over the years. At a time when discussions on the Comprehensive Test Ban Treaty (CTBT) have resumed in Geneva, and the general consensus favors early signing of the CTBT, it is inevitable that this nuclear test will again be sternly criticized by the international community.

China's arguments are well-known: "China is still exposed to the threat of a nuclear attack." "China's position is different from Japan, which is protected by a nuclear umbrella." "Compared to the United States and

Russia, China has conducted an extremely small number of nuclear tests." However, such arguments are from the Chinese point of view.

At present, the international community is engaged in serious discussions on nuclear disarmament and a ban on nuclear testing. Although it will be difficult to destroy all nuclear arms immediately, the international community intends to take one step at a time in a steady effort to achieve this goal.

If, at a time like this, China's development of nuclear arms to compete with the United States and Russia is permitted, a consensus will be impossible. Even worse, this may provoke the nonnuclear states which are anxious to own nuclear weapons, and cause them to plunge into developing nuclear arms. The fragile nuclear nonproliferation regime may collapse.

If the PRC feels the threat of a nuclear attack, it should appeal to the international community more seriously about how to reduce such a threat. If China comes up with concrete proposals, the international community will probably listen.

The PRC has proposed signing an agreement with the United States on renouncing the first use of nuclear arms. It claims that the United States has not responded. If that is true, there is also a problem in the United States' attitude.

At the CTBT negotiations, China has consistently argued that peaceful nuclear explosions (PNE) should be exempted, and this has become an obstacle to early conclusion of the treaty. However, on 6 June the PRC retracted this position and offered a compromise, proposing that this issue be relegated to discussions after the CTBT is concluded. Since the latest nuclear test came on the heel of this compromise, China's defiant attitude is all the more regrettable.

In retaliation for PRC nuclear tests last year, Japan suspended grants-in-aid to China in principle. Japan has provided the PRC with an enormous amount of official development assistance (ODA) in the past, and new ODA needs relating to the environment and food are expected in the future. While the Japanese government has voiced its protest each time China conducts a nuclear test, the PRC never heeded such protests. The continuing nuclear tests have resulted in an increasingly negative feeling in Japan toward China. Repeating the nuclear tests is indeed regrettable.

#### **Japan: Ozawa-Led NFP Mission to PRC Promotes 'Mutual Confidence'**

*OW1006134296 (Internet) Japanese New Frontier Party WWW in Japanese 31 May 96*

[From the "Policy Information" link]

[FBIS Translated Text] A delegation of the New Frontier Party [NFP] led by its head, Ichiro Ozawa, paid a 11-day visit to the PRC 2-12 May; held talks with many top leaders such as CPC General Secretary Jiang Zemin (concurrently state president) and Premier Li Peng; and further promoted "mutual confidence." The delegation visited various cities, including Chongqing, Wuhan, and Shanghai and joined in various activities to inspect China's current situations in such fields as industry, livelihood, education and culture.

The recent visit to China was the first visit to a foreign country since Ozawa was inaugurated as party head. And the visit aimed at restoring mutual trust between Japan and China, which has cooled down as a result of failure to settle individual issues, and also at rebuilding NFP-CPC friendship to be carried over into the next century.

Ozawa's talks with over 10 Chinese leaders, including General Secretary Jiang and Premier Li, were all conducted in a friendly atmosphere. Premier Li Peng even said to NFP Head Ozawa: "I hope you will become the successor in the friendly relations between China and Japan."

In his individual talks with various top leaders, NFP Head Ozawa stressed that to build up firm relations between Japan and China to be carried over into the 21st century, it will be necessary for political leaders to build mutual trust. All the top leaders expressed their heartfelt approval of what NFP Head Ozawa had maintained.

The delegation completed its inspection tours of Chongqing, Wuhan, and Shanghai cities on 11 May. On the eve of their departure, NFP Head Ozawa met with Secretary Huang Ju of the Shanghai Municipal Party Committee, also a member of the Party's Political Bureau. Since Huang Ju, a CPC leader of the younger generation, is regarded as a possible successor, directly connected with General Secretary Jiang, the Huang-Ozawa talks were the first talks between the Japanese and Chinese leaders who will shoulder the responsibility for the next generation.

About an hour before the aircraft's departure from the Shanghai Airport for Japan, NFP Head Ozawa met with Chairman Wang Daohan of the Association for Relations Across the Taiwan Strait, the Chinese leader responsible for handling problems pending between

China and Taiwan, at the hotel where he was staying. In this way, Ozawa thoroughly carried out his efforts "to build up mutual trust" till the end of his China visit.

Moreover, what was noteworthy is that the delegation was given an extremely special welcome by the Chinese side: Li Shuzheng, head of the International Liaison Department, accompanied the delegation during the delegation's entire stay in China.

#### **NameList of Chinese Leaders With Whom NFP Head Ozawa Met**

3 May: Li Shuzheng, head of the International Liaison Department under the CPC Central Committee; Xiong Guangkai, deputy chief of the General Staff of the People's Liberation Army (PLA); Li Tieying, member of the Political Bureau of the CPC Central Committee;

4 May: Zhu Liang, chairman of the Foreign Affairs Committee under the National People's Congress (NPC);

5 May: Li Keqiang, member of the NPC Standing Committee and concurrently first secretary of the central committee of the Communist Youth League of China; Zhang Xiangshan, chief representative of the 21st Century Committee for China-Japan Friendship; Liu Shuqing, president of the Chinese People's Institute of Foreign Affairs; and General Secretary Jiang Zemin;

6 May: Premier Li Peng;

7 May: Zhang Delin, secretary of Chongqing City Party Committee;

10 May: Jia Zhijie, secretary of Hubei Provincial Party Committee;

11 May: Tao Delin, president of Wuhan University; Huang Ju, member of the Political Bureau of the CPC Central Committee and concurrently secretary of the Shanghai Municipal Party Committee;

12 May: Wang Daohan, chairman of the Association for Relations Across the Taiwan Strait.

#### **Japan: NHK Poll Finds 50 Percent Support Hashimoto Cabinet**

OW1106040996 Tokyo NHK General Television Network in Japanese 1008 GMT 10 Jun 96

[Announcer-read report; from the "NHK News 7" program]

[FBIS Translated Text] An NHK telephone poll found that 50 percent of the people surveyed supported the Hashimoto cabinet. The results show that the cabinet has almost the same level of popularity it had when it was inaugurated.

The survey was conducted from 7-9 June through phone interviews with 1,800 men and women 20 years old or older across the nation. It had responses from 1038 people.

Asked whether or not they supported the Hashimoto cabinet, 50 percent of the respondents said they did, while 28 percent said they did not. The approval rate is five percentage points up from the last poll in April, and the disapproval rate nine percentage points down. The cabinet has gained almost the same level of popularity it enjoyed when it was inaugurated in January.

As reasons for supporting the cabinet, 30 percent said: "Hashimoto is trustworthy," another 30 percent said: "His cabinet appears to be better than any other cabinet," and 16 percent noted: "Because the cabinet is led by the political parties we support."

As for reasons for not supporting it, 41 percent said: "Because we cannot expect much from its policies." Other reasons include: "Because the cabinet is not led by the political parties we support" and "Because Hashimoto is untrustworthy."

Asked which political parties they support now, 35.5 percent named the Liberal Democratic Party (LDP), 9.2 percent the New Frontier Party (NFP), 6.2 percent the Social Democratic Party (SDP), 1.2 percent New Party Sakigake, 2.5 percent the Japan Communist Party (JCP), 0.6 percent Komei, and 0.1 percent Shimin League. Those who did not support any particular party was 38.6 percent. The approval rate for the LDP is 0.7 percentage points up from the last poll and those for the SDP and Komei have slightly increased. Meanwhile, the support rate of the NFP is 2.7 percentage points down. Those for New Party Sakigake and the JCP have decreased slightly.

In answer to a question as to when they think the House of Representatives will be dissolved, 12 percent noted: "It should be dissolved before the current Diet session comes to an end on 19 June," while 10 percent wanted it "by summer." The results show that 22 percent of people hope for an early dissolution of the house.

Meanwhile, 22 percent said "during the extraordinary Diet session in autumn" and 7 percent wanted it "around January next year," indicating that 29 percent of people want the house to be dissolved sometime between this autumn and January next year, when the ordinary Diet session is convened. Another 29 percent said: "The dissolution of the house is unnecessary until the present term of membership expires next summer."

**Japan: Cabinet Approves FTC Changes To Bolster Antitrust Powers**

*OW1106041096 Tokyo KYODO in English  
0156 GMT 11 Jun 96*

[FBIS Transcribed Text] Tokyo, June 11 KYODO — The government approved at a cabinet meeting Tuesday [11 June] a reshuffle of senior positions at the Fair Trade Commission (FTC) designed to bolster the antitrust watchdog's powers, government officials said.

As a result, Shogo Itoda, 59, Secretary General of the FTC's executive bureau, was promoted to the position of secretary general of the newly strengthened General Executive Bureau, the officials said.

Shigenori Shiota, 54, director general of the Economic department, was named director of the Economic Transactions Bureau, which is in charge of promoting competition among business rivals, they said.

Jotaro Yabe, 57, director general of the investigation department, is to become director of the newly enhanced Investigation Bureau, which is in charge of cracking down on violators of the antimonopoly law, the officials added.

They said the government earlier unofficially named Yasuchika Negoro, 63, the former chief prosecutor at the Tokyo High Public Prosecutors Office, as chairman of the commission, to succeed Masami Kogayu whose term of office will expire in August.

**North Korea****DPRK: Radio Denounces Increase in 1997 ROK Defense Budget**

*SK1106021696 Pyongyang Korean Central Broadcasting Network in Korean  
2200 GMT 10 Jun 96*

[FBIS Translated Text] According to broadcast news from Seoul, on 8 June, the puppet Defense Ministry of South Korea announced its defense budget for next year, which amounts to over 14,290 billion won, a 16.7 percent increase over this year's defense budget.

This plainly shows how frantically the South Korean puppets are engaged in an arms buildup for full-fledged war preparations to invade the North. What cannot be overlooked is the fact that drawing up next year's defense budget, the South Korean warmongers are attempting to allocate 21.8 percent in increased funding for war equipment.

The puppets, who have turned the south of the Military Demarcation Line and DMZ into a starting position for an attack on the North, are now desperately pursuing military confrontation with fellow countrymen by bring-

ing more up-to-date murderous weapons and equipment into South Korea.

We have repeatedly warned against the South Korean puppets' war provocation commotion and the aftermath arising from it. However, the puppets are responding to this by continuously committing reckless arms buildup and war exercise commotions. This proves that words have no effect on the Kim Yong-sam ring and that practical countermeasures [silchonjok taeungchaek] are necessary.

We have already clearly expressed that the prevention of the enemy's aggression is not the sole mission of our People's Army. The Kim Yong-sam warmongers should act discreetly, and be clearly aware that we do not speak empty words.

**DPRK: Increase in ROK's Defense Budget for 1997 Denounced**

*SK1106025496 Pyongyang KCNA in English  
0241 GMT 11 Jun 96*

[ "Reckless Arms Buildup" — KCNA headline ]

[FBIS Transcribed Text] Pyongyang, June 11 (KCNA) — The puppet Defense Ministry of South Korea on Saturday announced the "defense budget bill" for next year, according to a radio report from Seoul.

The compiled "defense budget" for next year amounts to 14,290 billion won, an increase of 16.7 percent over this year's.

The traitor Kim Yong-sam has systematically increased military expenditure, constantly creating an atmosphere of confrontation to provoke new war in the Korean peninsula, since he took office under the "civilian" veil.

What cannot be overlooked is that the South Korean warmaniacs in the bill have planned to direct much more fund to the purchase of war equipment, 21.8 percent up over this year.

The puppets have turned the southern area of the Demilitarized Zone of the Military Demarcation Line into a forward base to invade the North. And they are now making desperate efforts for a military showdown with the fellow countrymen at any cost, purchasing a large quantity of advanced lethal weapons and equipment.

More than once we have warned the South Korean puppets against their war preparations and the consequences.

However, the puppets have responded to our warnings with continued, reckless arms buildup and war games.

This proves that words don't work on the Kim Yong-sam group but only actual countermeasure is needed for them.

We have already declared that the mission of our People's Army is not confined to defence.

The Kim Yong-sam bellicose elements must behave with discretion, clearly mindful that we don't make empty talk.

#### DPRK: NODONG SINMUN Denounces ROK Defense Budget Increase

SK1106091596 Pyongyang KCNA in English  
0836 GMT 11 Jun 96

[FBIS Transcribed Text] Pyongyang, June 11 (KCNA) — The Kim Yong-sam group are trying to increase the "defence budget" for next year by 16.7 percent over this year's. Commenting on this, NODONG SINMUN today says:

The Kim Yong-sam bellicose group's military budget bill set higher than this year's huge military budget is a clear proof that their hysteria of war against the North reaches the extreme pitch and they intend to ignite a fratricidal war.

The traitor Kim Yong-sam and the puppet military brasshats are these days recklessly increasing Armed Forces, staging one war manoeuvre after another against the North and rendering the situation to the brink of war, letting loose a string of bellicose outcries that the inter-Korean issue "can be settled only by military strength".

The Kim Yong-sam group are seeking in inter-Korean confrontation and war a way out of the crisis of "government", caused by their sycophantic and treacherous politics, the largest irregularities in history and anti-national inter-Korean confrontation moves.

The increased military budget is part of their manoeuvres to realize such criminal attempt.

We, who value peace, will never tolerate those who are trying to wreck peace.

It is our stand and will to answer good with good, stick with stick. We warn once again the puppets to cool their war fever-heated heads and stop acting rashly.

#### DPRK: ROK Students' 'Anti-Government Struggle' Reported

SK1106025096 Pyongyang KCNA in English  
0237 GMT 11 Jun 96

[FBIS Transcribed Text] Pyongyang, June 11 (KCNA) — An estimated 2,000 students under the South Korean Federation of University Student Councils on Saturday

staged a fierce anti-"government" struggle, a radio report from Seoul said.

They held an anti-"government" rally at Konkuk University in Seoul and demanded guarantee for livelihood of the poor citizens and farmers, contending that their right to existence is being threatened due to the anti-social policy of the puppet clique.

After the rally, they staged a demonstration along the street, denouncing the puppet clique's anti-social act.

They had resolutely fought the puppet riot police for four hours.

#### DPRK: Dissident Figures Hold Seminar in Seoul on 19 Apr Uprising

SK1106034896 Pyongyang KCNA in English  
0251 GMT 11 Jun 96

[FBIS Transcribed Text] Pyongyang, June 11 (KCNA) — A seminar on the April 19 popular uprising was reportedly held at Yonsei University in Seoul with an attendance of dissident figures from different democratic organizations.

At the seminar Cho Yong-kon, professor of Kyongnam University, said the April 19, 1960 uprising was a historic resistance, which took place reflecting the desire of the people for national independence, democracy and peaceful reunification.

It can be said that the aim of the uprising was to put straight history, as is demanded by the present time, he said. However, "setting the modern history straight" advertised by the traitor Kim Yong-sam, the professor added, is not genuine one as it came to an end with imprisonment of former dictators and some of their associates.

Tan Pyong-ho, chairman of the Federation of Metal Workers' Unions, said that the present "government" should stop suppression of labour movement and ensure genuine democracy as demanded by the April 19 uprisers.

The participants in the seminar lashed out at the deceitfulness of the present regime's argument about "setting the modern history straight", and strongly demanded the punishment for all those responsible for the May 18 massacre and an early opening to the public of the truth behind the "presidential election" fund.

**DPRK: Kim Il-song Confederation Said Best Reunification Plan**

*SK1006121696 Pyongyang KCNA in English  
0959 GMT 10 Jun 96*

[**"Confederation Formula Is Best Method for National Reunification" — KCNA headline**]

[FBIS Transcribed Text] Pyongyang, June 10 (KCNA) — The proposal for confederation-based national reunification based on one nation, one state, two systems and two governments, which was put forward by the Great Leader Comrade Kim Il-song, is a most justifiable great principle in the method of national reunification suitable to demand and interests of the Korean nation, the essence of reunification issue and present-day realities of Korea, says NODONG SINMUN today in a signed article "Confederation Formula Is Best Method For National Reunification".

The article continues:

The proposal for reunification through confederacy, which is based on one nation, one state, two systems and two governments, envisages the reunification by the method of leaving the different ideologies and systems existing in the North and South intact and building a unified national state on the basis of it.

Different ideologies prevail and different systems exist in the North and the South of Korea.

Under these circumstances, national reunification should be realized through the confederation formula on the principle of neither side conquering the other or being conquered.

For the Korean nation, there is nothing more urgent than national reunification.

Koreans are a homogeneous nation that has lived with the same blood and language, creating one and the same national culture on one territory for 5,000 years with Tangun as the ancestral father.

Two systems can co-exist in a unified state of one nation should national commonness and homogeneity that was handed down historically be considered to be the basis of all.

Since two systems and two governments remain in the North and the South and neither side is unwilling to give up its own, the reunification based on one system is unrealistic.

Moreover, unification of systems, whatever its method may be, presupposes the conquering of the other side. So, it is unacceptable to either side. If something un-

acceptable is forced on the other side, it will inevitably result in fratricidal war.

The only way to put an end to the country's division, attain reconciliation and unity between the North and the South as the same nation and realize national reunification independently and peacefully at the earliest date is nothing but the reunification through confederacy based on one nation, one state, two systems and two governments.

**DPRK: Kim Chung-nin Attends Scientific Symposium at Mt Paektu**

*SK1106115296 Pyongyang KCNA in English  
0851 GMT 11 Jun 96*

[FBIS Transcribed Text] Pyongyang, June 11 (KCNA) — A national scientific symposium was held at the secret camp on Mt. Paektu, Yanggang Province, on Monday to mark 40 years since the great leader Comrade Kim Chong-il pioneered the way of study marches to the revolutionary battle sites in the Mt. Paektu area.

Present at the symposium were Kim Chung-nin, secretary of the Workers' Party of Korea [WPK] Central Committee, officials of the central and local party and government, administrative and economic and military organs, working people's organizations, the party cadre-training institutions, the domain of revolutionary relics and working people from different parts of the country involved in a study march to the revolutionary battle sites in the Mt. Paektu area.

The speakers at the symposium stressed that the respected Comrade Kim Chong-il's pioneering of the way of study marches to the revolutionary battle sites was a great event. It marked a new historical turn in laying a firm basis to victoriously advance the chuche revolutionary cause pioneered in the forest of Mt. Paektu down through generations, in filling the country with the spirit of defending the leader and in strengthening and developing the WPK into an invincible revolutionary party which soundly inherits the chuche line.

The Korean People's Army has maintained the revolutionary character and purity as the army of the leader and the party which inherits the chuche line, following the way to the revolutionary battle sites in the Mt. Paektu area pioneered by the respected Supreme Commander Comrade Kim Chong-il, the speakers noted.

They stressed the need to continuously follow the way to invariably defend, purely inherit and develop the chuche revolutionary traditions and accomplish the chuche revolutionary cause.

**DPRK: PRC Foreign Minister Meets DPRK Foreign Ministry Group**

*SK0906100296 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 6 Jun 96*

[FBIS Translated Text] Comrade Qian Qichen, member of the Political Bureau of the CPC Central Committee, vice premier of the State Council, and foreign minister, met the DPRK Foreign Ministry delegation, led by Vice Minister Choe U-chin, at the Diaoyutai State Guest House in Beijing on 6 June.

During the meeting, Comrade Qian Qichen said that before long we will welcome the 35th anniversary of the conclusion of the PRC-DPRK treaty on friendship, cooperation, and mutual issues. He pointed out that this is an important holiday in which both sides can magnificently celebrate this day, and that strengthening PRC-DPRK friendly and cooperative relations under the current international situation has great significance.

He pointed out that he highly assesses the DPRK people's results in the struggle to open a new phase in which the entire party and all the people are single-heartedly united under the leadership of Comrade Kim Jong-il following the death of the great leader [widachan suryong] Comrade Kim Il-song. He emphasized that the PRC party, government, and people support the DPRK people's struggle in realizing the country's cause of reunification and in developing the economy.

PRC Vice Foreign Minister Tang Jiaxuan; Qiao Zonghuai, PRC ambassador to the DPRK; and Chu Chang-chun, DPRK ambassador to the PRC, were on hand.

**DPRK: Japan Denounced for Trying 'To Bury' 'Comfort Women' Issue**

*SK0806075696 Pyongyang KCNA in English 0752 GMT 8 Jun 96*

["Dastardly Act To Mitigate Crimes" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 8 (KCNA) — MINJU CHOSON today comments on the moves of the Japanese right-wing reactionaries to mitigate the past crimes of the Japanese imperialists against the "comfort women for the army" and insult the victims.

The news analyst of the paper says:

On June 4, former Japanese Justice Minister Seisuke Okuno alleged that "comfort women for the army" had been involved in "commercial activities".

On the same day, a member of the House of Councillors of Japan, when he met with former "comfort women for the army" from South Korea, uttered the same words as

Okuno, asking them whether rewards could be given for "commercial activities."

The Japanese right-wing reactionaries are resorting to every conceivable method to hush up the past crimes of the Japanese imperialists. It is because they want to remove a stumbling-block lying in the way of converting Japan into a military power and realising their ambition for overseas expansion.

However, this is foolish.

If Japan tries to bury its past disgraceful crimes in oblivion, refusing to honestly admit them, it will impair international confidence in Japan and Japan will face bitterer denunciation by the world people.

Historical facts will not be distorted nor will their past crimes be hushed up even if they categorically deny them.

Japan had better honestly admit its past state crimes and make due apology and compensation for them, instead of insisting on unreasonable arguments.

It will be beneficial to Japan itself.

**DPRK: Chongnyon Condemns Remarks About 'Comfort Women'**

*SK0806075996 Pyongyang KCNA in English 0752 GMT 8 Jun 96*

[FBIS Transcribed Text] Pyongyang, June 8 (KCNA) — O Hyong-chin, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), made public a statement on June 5 denouncing the outburst of the former minister of justice of Japan, Seisuke Okuno, that "comfort women for the army" were recruited as a 'commercial activity' and were not forced," according to a KNS report from Tokyo.

Okuno's outburst is a nonsense and unpardonable remarks to justify Japan's past aggression and colonial domination and particularly, whitewash the inhumane crime of the Japanese imperialists including the "comfort women for the army" issue, the full picture of which has been proven, the vice-chairman said, and continued:

Coinciding with his outcries, Tadashi Itagaki, member of the House of Councillors from the Liberal Democratic Party, recently prattled that coercion on "comfort women for the army" is "not a truth of history". On June 4 he took a rude and shameless attitude, claiming that "comfort women" issue is a 'commercial transaction' in face of the protest of "comfort women for the army" against his remarks.

The facts prove that the idea of colonial domination and aggression still remains in Japan.

We strongly demand Okuno and Itagaki clearly see the historical facts, immediately withdraw their anachronistic outbursts challenging the dignity of humanity and apologize to the people of Korea and Asia including the victims.

And we call upon the Japanese Government to take a serious view of the repeated outcries of some politicians, take a step against them and honestly apologise and compensate for the Japanese imperialists' colonial domination in the past.

#### **DPRK: 1926 Anti-Japanese Movement Commemorated**

*SK1006124396 Pyongyang KCNA in English  
1036 GMT 10 Jun 96*

[FBIS Transcribed Text] Pyongyang, June 10 (KCNA) — A meeting of Pyongyangites was held here today to mark the 70th anniversary of the June 10th independence movement against Japanese imperialists.

The movement, which was carried on in June 1926, was an eruption of grudges and resentment of the Korean people for colonial rule of the Japanese imperialism and a mass anti-Japanese patriotic struggle to retake the deprived homeland and establish the nation's sovereignty.

The struggle, which began in Seoul on June 10, spilled over various areas in a few days, attended by people of all walks of life.

The Korean people, through the movement, demonstrated at home and abroad their indomitable will and patriotic stamina not to tolerate the Japanese imperialists' occupation of and colonial rule over Korea and laid bare the greedy aggressive nature of the Japanese imperialists and the deceptiveness of their "cultural rule", thus dealing a heavy blow to their colonial rule.

A report was delivered at the meeting by Paek Nam-chun, director of the secretariat of the C.C. [Central Committee], the Democratic Front for the Reunification of the Fatherland.

He said:

The nation's sovereignty desired by the demonstrators in the movement has not been realized yet on half of the country and the South Korean people are still subjected to colonial subordination.

The United States, which occupied South Korea replacing the Japanese imperialists, cooked up a puppet regime and is continuing with colonial domination through it.

And, the Japanese authorities are enhancing military tieup with the South Korean puppets under the pretext of "coping with the event of emergency" on the Korean Peninsula.

Although the present South Korean ruling quarters were loudmouthed about so-called "nation-first" and "improvement of South-North relations" in early period of their office, they are, in actuality, rushing headlong along the road of dependence on outside forces, not national independence, and North-South confrontation, not national unity, being engrossed in treacheries of doing harm to the country and the nation, he said.

The reporter urged the United States, directly responsible for division and ensuring of peace on the Korean Peninsula, to abandon the hostile policy towards the DPRK, a legacy of cold-war era and do work helpful to peace and peaceful reunification of Korea, and the Japanese authorities to suspend moves against the DPRK and the General Association of Korean Residents in Japan (Chongnyon) and take sincere attitude and stand to atone for the crime-woven history recorded by the Japanese imperialists against the Korean people in the past.

He called on all fellow countrymen in the North, South and overseas to turn out as one in realizing national reunification through confederacy firmly rallied under the banner of the 10-point programme of the great unity of the whole nation, transcending differences in ideology, political view and religious belief.

#### **DPRK: Kangnam Farm Management Official Interviewed**

*SK1106070396 Pyongyang Korean Central Broadcasting Network in Korean  
1200 GMT 10 Jun 96*

[Interview with Kim Tal-hyon, chairman of the Co-operative Farm Management Committee of Kangnam County in Pyongyang, by station reporter Han Song-chan; place and date not given]

[FBIS Translated Text] Agricultural workers in Kangnam County, Pyongyang, who have unanimously launched the implementation of the party's agriculture-first policy, have achieved success in completely finishing rice transplanting.

Station reporter Han Song-chan met Comrade Kim Tal-hyon, chairman of the Cooperative Farm Management Committee of Kangnam County in Pyongyang.

[Begin recording] [Han Song-chan] Have not all the cooperative farms in this county briskly completed the rice transplanting for a bumper year at a most opportune

time for increasing the production of grain crops to the maximum?

[Kim Tai-hyon] That is correct. Functionaries and agricultural workers of all cooperative farms in the county have briskly finished rice transplanting in a short period of time by mobilizing all available labor efforts and farm machines from the first day they began their rice transplanting work, all with the purpose of achieving a bumper year this year at any cost.

This year, we have fully made all farming preparations related to rice transplanting in order to successfully complete rice transplanting in the most opportune period that can be expected to produce grain crops to the maximum.

As you know, paddy rice farming is farming which uses water, is it not?

[Han] Yes. That is true.

[Kim] So, during the rice transplanting period, our county repaired and improved all water pumping facilities and equipment throughout the county. Thus, we saw to it that this year's rice transplanting for a bumper year could be carried out smoothly without worries about the water supply. We not only further enhanced the technical and skill levels of operators of rice transplanting machines, of young rice plant deliverymen, and of tractor operators who are responsible for harrowing paddies, but also operated rice transplanting machines, young rice plant delivery machines, and all tractors at full capacity. In this manner, we carried out rice transplanting more than 7 to 8 percent [words indistinct] a day by operating all machines at full capacity from the first day of rice transplanting.

[Han] I think there are some differences in rice transplanting in terms of its quality from that of last year.

[Kim] That is correct. Qualitatively, rice transplanting this year was properly carried out. In our county, we correctly decided the number of young rice bundles per one pyong [one pyong equals 3.954 sq. yds] and the number of rice stalks per rice bundle from the beginning of rice transplanting.

This year, we could also qualitatively guarantee rice transplanting because we properly engaged in harrowing work on rice paddies and carried out repair and adjustment work on rice transplanting machines in a substantial manner. As a result, the condition of transplanted young rice plants on rice paddies is now very good.

As in the past, in the future we will concentrate our efforts on managing agricultural crops by displaying the mettle of having successfully completed rice transplant-

ing, and thus will increase the production of grain crops per chongbo [one chongbo equals 2.451 acres] without fail this year. [end recording]

**DPRK: Farmer on Mangyongdae Farm Rice Transplanting**

*SK1106040196 Pyongyang Korean Central Broadcasting Network in Korean  
1200 GMT 25 May 96*

[Interview with Kim Yong-pok, head of the Mangyongdae branch farm of the Mangyongdae District state-run farm, by station reporter Yi Chu-yon on 25 May; place not given]

[FBIS Translated Text] At a time when all socialist cooperative farms across the country are seething with rice transplanting battles, the Mangyongdae branch farm [mangyongdae punjang] of the Mangyongdae District state-run farm in Pyongyang achieved success in completing rice transplanting on 25 May.

Station reporter Yi Chu-yon met Comrade Kim Yong-pok, head of the Mangyongdae branch farm.

[Begin recording] [Yi Chu-yon] It seems to me rice transplanting has completely ended on this farm.

[Kim Yong-pok] Yes, we have finished rice transplanting. Our Mangyongdae branch farm finished rice transplanting on 25 May. We began rice transplanting on 12 May, the historic day when the great leader [yongdoja] Comrade Kim Chong-il visited Chongsan-ri and personally transplanted rice seedlings, and completed it in less than 15 days. We completed it two days ahead of schedule this year, and one week ahead of schedule as compared to last year.

[Yi] What is the secret of having finished the rice transplanting ahead of schedule?

[Kim] Our branch farm could briskly finish in a jiffy its rice transplanting ahead of schedule because all agricultural workers, including functionaries, exerted themselves with the burning ardor to achieve a good harvest this year in this land of glory where there is the hometown house of Mangyongdae where the great leader [suryongnim] was born, and where the traces of the leader's [suryongnim] leadership achievements and the respected and beloved General Kim Chong-il's on-the-spot guidance are seen.

Indeed, functionaries and agricultural workers on our branch farm produced larger quantities of humus and compost with good quality and sowed seeds on cold rice seedling beds, cherishing the spirit of the red flag, the spirit of the arduous march.

They cultivated strong and stout young rice plants by exerting all possible efforts. As a result, this year they supplied stronger and stouter young rice plants than those of last year without letup. They also properly carried out repair and readjustment work on tractors and rice transplanting machines. As a result, they could finish their harrowing work one week ahead of schedule.

They also operated all rice transplanting machines at full capacity during the rice transplanting period. As a result, they carried out rice transplanting work by almost 100 percent with rice transplanting machines.

During the rice transplanting battle, a socialist emulation campaign was vigorously waged among workteams. The socialist emulation campaign assessed rice transplanting speed and rice transplanting quality among workteams. Thus, measures to more properly abide by the demands of the chuche-oriented farm method were taken.

During the rice transplanting battle, functionaries directly mingled with workteam members to vigorously lead agricultural workers to implement the chuche-oriented farm method.

As the rice transplanting work has been finished in a timely and qualitative manner, young rice plant roots have rapidly multiplied. Thus, we believe a bumper harvest is very optimistic this year, no matter what adverse weather conditions may continue.

We will now carry out agricultural crop management, including water supply management, applying fertilizer, and weeding work, in a scientific, technological, and assiduous manner. In this way, we will brilliantly implement the respected and beloved general's remarks made during his on-the-spot guidance. Thus, this year we will achieve a bumper harvest in Mangyongdae, the land of glory, and will bestow joy upon the respected and beloved general. [end recording]

#### DPRK: UN Official Claims 20-25 Million People 'Starving'

AU1106122296 Hamburg DER SPIEGEL in German  
10 Jun 96 p 130

[Unattributed interview with Trevor Page, "commissioner of the UN World Food Program in Pyongyang until this May"; place and date not given: "Starvation and Cannibalism"]

[FBIS Translated Text] [DER SPIEGEL] The communist regime claims that last year's floods are responsible for the disastrous food shortage. Critics in Seoul, however, are putting the blame on the ailing system. Which is right?

[Page] The floods were the worst in almost 30 years. The government states that 5 million people require food aid. According to our estimates, however, some 20-25 million North Koreans are starving.

[DER SPIEGEL] It has been said that people are already eating roots and grass. Is the country still able to feed all its people?

[Page] Hardly, because only 20 percent of the area can be used for farming. All the arable land is over-fertilized and worn out. Some 900,000 metric tons of grain were lost through the floods. Moreover, the country is short of gasoline to distribute rice. It badly needs further help from abroad.

[DER SPIEGEL] South Korea claims that rice supplies are going direct to the North Korean army.

[Page] That is not true. The soldiers live on the same minimum supplies as all North Koreans. And in the summer there will not be any food at all any more.

[DER SPIEGEL] What will happen then? Will people flee to China or South Korea?

[Page] There has been a continuous flow of refugees to China for a long time and it will now increase.

[DER SPIEGEL] Are those horrifying reports true that speak of cases of cannibalism because people are starving?

[Page] I cannot deny them.

#### DPRK: U.S., KEDO Ship Heavy Oil 'as Scheduled'

SK1106094496 Pyongyang KCNA in English  
0914 GMT 11 Jun 96

[FBIS Transcribed Text] Pyongyang, June 11 (KCNA) — The United States and the U.S.-led KEDO (Korean Peninsula Energy Development Organisation) are shipping heavy oil to the DPRK as scheduled under the DPRK-U.S. framework agreement.

37,800 tons of heavy oil, the May installment of the 500,000 tons to be provided to the DPRK from last November to this October, arrived at Sonbong Port on June 4.

210,000 tons of heavy oil has been shipped as was scheduled by May this year.

A total of some 360,000 tons of heavy oil has so far been provided to the DPRK.

The heavy oil is used for the generation of heat and electricity.

**DPRK: Article on Intelligence Agents in Russia**

*OWI106060996 Tokyo TOKYO SHIMBUN  
in Japanese 4 Jun 96 Morning Edition p 4*

[Article by A. Prutov]

[FBIS Translated Text] Even Russia, which used to have friendly ties with North Korea, has little information on North Korea of the Kim administration, which is isolating the country. Of late, North Korean intelligence agents are actively trying to infiltrate into the Russian Far East region, according to confidential information obtained from several information sources in the Russian maritime region, which keeps watch on North Korea. It is said that in addition to attempting to obtain weapons and military technologies, the agents are trying to prevent North Korea's economic collapse by taking such actions as smuggling large quantities of drugs and counterfeit U.S. dollars into Russia.

**Soviet Era**

As friendly nations, North Korean intelligence agency had strong cooperative ties with the KGB and prominent British spy Philby and most other spies who worked for the KGB and were arrested in the United States, Britain, and other Western countries and took refuge in the Soviet Union through North Korea.

There is a North Korean logging corporation which cuts trees in one region of the Russian Far East on the basis of an accord signed with the Soviet Union. This public corporation has influence in North Korean intelligence agency and several thousand North Korean laborers worked there each year. At that time, the KGB, even if it had information that the corporation violated laws internally, did not investigate a case.

According to confirmed information, North Korea secretly prosecuted 21 workers in the corporation's prison. There are many cases in which North Korean intelligence agents trailed North Korean workers who escaped from logging camps, arrested, and assassinated them.

Following Soviet Union's approval of the ROK as a nation, however, the ties between the Soviet Union and North Korea worsened at the end of the Gorbachev era. North Korea began strategic activities in the coastal region. About that time, former Soviet Union arrested dozens of North Korean intelligence agents —who tried to infiltrate into Russia to poison rivers and lakes, water reservoir of Vladivostok City, and other waters — and confiscated poisons, including cholera, pest, and anthrax germs.

**Russian Era**

There is North Korean intelligence headquarters in Khabarovsk which controls spy networks in Siberia and the Russian Far East. This headquarters has a branch office in Vladivostok. Dozens of commercial attaches in North Korean Consulate in Nakhodka are either intelligence agents or representatives of various state corporations. In addition to covert activities, they are involved in business activities, too. Their major tasks are to obtain Russian weapons, military technology, and materiel, and to smuggle drugs, counterfeit U.S. dollars, and other items into Russia. Another thing that stands out is the fact that they have connections with the Russian Mafia.

During the Soviet era, most of the North Korean agents infiltrated into the country through Khasan at the border with North Korea. Of late, however, they go to Russia via the Yanbian Korean autonomous prefecture in China by using Chinese passports. It is said that more than 200,000 Chinese go to the Russian coastal region each year. This has made it difficult to spot North Korean agents.

**Active Covert Operations**

In 1994, a North Korean agent assassinated a South Korean missionary and his wife in Khabarovsk, saying that they were promoting anti-North Korean propaganda. Moreover, North Korean agents are secretly buying, through the local Mafia, military technologies, materials, and other items from military industries. They have strong cooperative ties with the Mafia. On request from North Korea, a killer, who belongs to a local Mafia, killed a businessman in Nakhodka in 1995, who refused to make a payment for business transaction with North Korea.

**Organization for Procurement of Foreign Currencies**

A Russian-North Korean joint venture restaurant called "Morando [name as transliterated]" in Vladivostok is actually a bank owned by a North Korean intelligence organization, and North Koreans working there are either agents or collaborators. North Korean diplomats, who go to Russia on business trips, receive foreign currency there.

In addition to collecting information on the Pacific Fleet, North Korean agents buy all types of weapons secretly. Because of this, a security bureau of the coastal region arrested and deported six North Koreans, who were working at the restaurant until last year. Of the six, a North Korean cook was a colonel in the intelligence organization.

### **Smuggling Drugs**

In 1994, the security bureau of the coastal region arrested two officers from a North Korean intelligence organization, who tried to smuggle 12 kg of heroin into Russia, at a train station in Khasan. According to their confessions, there are two drug factories in North Korea, which produce heroin and other drugs and sell them secretly to Russia and the Central Asian countries. It is said that production facilities at the factories were made in China.

In addition, Russian security organizations have arrested so far more than 20 North Koreans for drug smuggling and confiscated 300 kg of drugs. Reportedly, all the smugglers confessed that they "smuggled the drugs on order from the intelligence organization."

### **Counterfeit U.S. Dollars**

Of late, North Korean businessmen in Russia are making payments in cash (the U.S. dollar) in business dealings. Russian businessmen, who want to evade tax, prefer cash.

But, many counterfeit U.S. dollars are found in the payments made by North Korean businessmen. According to unconfirmed information, counterfeit U.S. dollars, amounting to several million dollars, were smuggled into the Russian Far East from North Korea in the recent five years.

Yoshimi Tanaka, a member of the Red Army who went to North Korea by hijacking "Yodo" of the Japan Air Lines, was arrested in Cambodia for possession of counterfeit U.S. dollars. Some people strongly suspect that there is a large-scale counterfeit U.S. dollar manufacturing base in North Korea.

### **Weapons Procurement**

The North Korean intelligence organization is buying all types of weapons from the former Soviet republics. For example, it is buying attack helicopters and tactical missiles from Uzbekistan and heavy guns from Kazakhstan. It bought tanks and scrapped submarines from Russia through dummy companies in Singapore and other countries. In 1994, North Korea tried to buy a scrapped Russian nuclear submarine via China.

There are many cases in which weapons and cutting edge technologies were stolen. A lieutenant of North Korean intelligence organization, who tried to buy automatic rifles for underwater use from a unit of the Pacific Fleet, was arrested late last year. So far, the Russian security bureau has arrested several North Koreans who tried to take rare metals, including tungsten, zirconium, palladium, and thallium, back to North Korea.

The rare metals are indispensable for production of nuclear weapons.

### **South Korea**

#### **ROK: Seoul May Allow 'Humanitarian-Level' Grain Aid to DPRK**

*SK1106224396 Seoul KBS-1 Radio Network in Korean 2100 GMT 10 Jun 96*

[FBIS Translated Text] The government will hold a meeting of unification-related ministers presided over by Kwon O-ki, deputy prime minister and unification minister, at the Government Complex Building in Kwanghwamun, Seoul, on the morning of 11 June to exchange opinions on overall unification issues, including the proposal for four-way talks, the provision of light-water reactors to North Korea, and food aid to the North.

At today's meeting, the government will analyze reactions by North Korea and the international community to the four-way talks proposal and will discuss follow-up measures.

Meanwhile, it seems humanitarian-level grain aid to relieve food shortages in North Korea will soon be allowed. On 10 June, a ranking government official hinted about the government's allowance of grain aid to North Korea no later than this weekend, saying the government will express its position on grain aid to North Korea in the near future.

In this regard, another government official said it is highly likely the government will decide to allow grain aid to North Korea by accepting the result of a scheduled meeting of the Advisory Council for Democratic and Peaceful Unification to be held on 12 June following a seminar on the same issue held by the ruling party last week.

#### **ROK Decides To Provide DPRK With \$3 Million in Aid**

*SK1106025296 Seoul YONHAP in English 0244 GMT 11 Jun 96*

[FBIS Transcribed Text] Seoul, June 11 (YONHAP) — South Korea has decided to send 3 million U.S. dollars in aid to North Korea through international organizations.

Emerging from a meeting of unification-related ministers Tuesday morning, National Unification Minister Kwon O-ki said the government would provide 3 million dollars in aid to North Korea through international relief organizations on humanitarian and brotherly-love grounds.

Of the aid amount, 2 million dollars will be given in cash for North Korea to purchase powdered food for children, such as powdered milk, and the remaining 1 million dollars in powdered milk for babies, officials said.

The government will send a delegation to a meeting between representatives from South Korea, Japan, the United States and other donor nations to discuss food aid for North Korea slated for June 12-13 in New York and a UN North Korea assistance meeting scheduled to open in New York June 17.

The government will thus resume food aid to North Korea in nine months after it shipped 150,000 tons of rice to North Korean ports late last year.

The government has also decided to increase the amount of rice and other daily necessities relief organizations like the International Red Cross can send to the the North Korean people who are suffering from the effects of last year's years flooding.

Because Pyongyang has received 130 million dollars in insurance money for its poor 1994 crop from eight western insurance companies, the government is not going to give the North a large amount of aid unless it meets the three conditions for such aid, an official said.

The conditions are a formal request for aid holding aid talks on the Korean peninsula and a halt to the propaganda offensive against the South.

**ROK: Further on Official ROK Aid Through UN to DPRK**

*SK1106093596 Seoul YONHAP in English  
0904 GMT 11 Jun 96*

[FBIS Transcribed Text] Seoul, June 11 (YONHAP) — South Korea will officially propose to provide 3 million U.S. dollars in humanitarian aid to North Korea when the United Nations convenes a meeting of representatives of Asian states in the United States Wednesday, a Foreign Ministry official said Tuesday.

Deputy Foreign Minister Cho Won-il, however, said that he did not expect the United Nations could collect its target of 43.6 million U.S. dollars of contributions for North Korea in the ongoing second phase of international appeal session.

"So far the total amount promised by South Korea, the United States and Japan reaches 15 million U.S. dollars, and Britain, Germany, Australia and some Scandinavian countries have expressed their interest in offering contributions," he said.

Cho estimated the amount, which can be collected by the United Nations for the coming months, will be less than 30 million dollars, noting that the United Nations actually collected 9 million dollars last year when it launched the international appeals campaign for the North. At that time, the world body set the target at 17 million dollars.

South Korea has no immediate plan to provide more than 3 million dollars as committed Tuesday, although there is a possibility of further assistance in case the situation in the North worsens, Cho said.

The United Nations World Food Program (WFP) usually implements about 1 billion dollars of contributions annually to help the world's needy and South Korea plans to gradually increase its contributions from the current 100,000 dollars, he said.

WFP and the United Nations Department of Humanitarian Affairs (UNDHA) are the main players in the international appeals for North Korea.

**ROK: Paper Views DPRK 'Participation' in Explanatory Session**

*SK1106061096 Seoul HANGYORE SINMUN  
in Korean 8 Jun 96 p 3*

[Report by Washington-based correspondent Chong Yon-chu: "Background of the Agreement on the Explanatory Session by Three Nations"]

[FBIS Translated Text] Whenever the miserable situation of North Korea's starvation was reported and food aid to North Korea was raised as an issue, doubts as to "Why should we help North Korea?" were raised. People pointed out that we had better leave the North Korean regime to collapse, noting it should collapse, and that there is no need to help it "maintain its life" by giving it aid.

U.S. experts have summarized the following two points of reaction regarding this question.

One is the need for aid from the humanitarian standpoint. In other words, humanitarian help for "human beings" who are suffering from a famine disaster is the first priority task. Another reason is the consideration of stability on the Korean peninsula from its security point of view. In the event that North Korea's food crisis is left alone, North Korea could hardly manage to squeeze out a living throughout the coming summer, and, as a result, an unpredictable, unstable situation would be created on the Korean peninsula. In other words, if North Korea's food crisis expands and the famine continues, a desperate North Korea may launch a suicide attack, and refugees would flock to the South on a large scale. However, South Korea will not be able to accept them.

This being the case, the U.S. Government has concluded that it is in the interests of the United States and of Northeast Asia to enable North Korea to make "a soft landing." Thus, the U.S. Government has launched emergency relief work for North Korea's "survival." However, despite this U.S. government decision, the United States is faced with two great obstacles in actively carrying out support to North Korea.

One is the domestic political circumstances in the United States, in which aid to North Korea can hardly be pushed for actively because of the atmosphere of in the U.S. Congress, which is dominated by the Republican Party, which is calling for a hardline policy to North Korea. The other is the ROK Government's hardline position toward North Korea. Under these circumstances, the U.S. Government attempted to assume the official United Nations' request for emergency aid to North Korea as an occasion for its additional aid. Thus, the U.S. Government, whenever it found an opportunity in the past, revealed its intention to offer additional aid if there were an official request from international organizations. The U.S. Government also discussed the issue with the ROK and Japan.

What attracts our attention with regard to additional U.S. aid to North Korea is "an unofficial secret promise" which was reportedly made between U.S. Congressman Richardson and North Korea's Vice Foreign Minister Kang Sok-chu. The report notes that Vice Minister Kang promised that if additional food aid were offered, North Korea would participate in an explanatory session by three nations. However, one can hardly assume that participation in the explanatory session would lead to acceptance of the four-party talks.

It has yet to be seen what reaction North Korea will show to the four-party talks in the future. However, it is true that great doubts have been raised as to the North Korean regime's "political leadership" since the four-party talk proposal was put forward. As U.S. Ambassador to the ROK James Laney pointed out, the only nation that can provide substantive help to North Korea is South Korea. Nevertheless, North Korea has persistently avoided the South. Furthermore, despite the fact that nearly two months have elapsed since the four-party talk proposal was made, North Korea has not shown any noteworthy reaction, except for remarks that the issue is "under review," thus showing a "political vacuum." Amid serious doubts as to Kim Chong-il's leadership, overseas Korean residents who visited North Korea openly point out that the ones who suffer the pain are the North Korean citizens.

Under this situation, North Korea's participation in the three nations' explanatory session can be practically

regarded as a reaction to the four-party talks proposal. Thus, people will pay attention to how North Korea's participation in the session will develop in the future and what impact this will have on North Korea's future activities.

#### **ROK: New Nongovernmental Group To Raise Aid for DPRK**

**SK0906014596 Seoul THE KOREA HERALD  
in English 9 Jun 96 p 1**

[FBIS Transcribed Text] A civil group will be inaugurated June 21 to give food and other aid to North Koreans.

The preparatory committee for "the Movement to Help Our Brethren" said yesterday that the group will begin to give food aid to North Koreans as soon as it collects 400 million won (about \$500,000).

Fund-raising has already started, and citizens are requested to donate for the movement, the preparatory committee said.

The group is composed of members from 26 civic and religious groups.

It will ship corn, flour, powdered milk, vitamins and medicine to North Korea, and will also provide agricultural technology and rehabilitation aids, the committee said.

North Korea has asked the United Nations and other international organizations for food aid.

#### **ROK: Editorial Speculates on DPRK's Use of Insurance Money**

**SK1106024396 (Internet) The Digital Chosun Ilbo  
WWW in English 1201 GMT 10 Jun 96**

[Editorial: "Whereabouts of NK Insurance Money"]

[FBIS Transcribed Text] It was recently reported that North Korea received insurance payments from eight different companies, amounting to US\$130 billion for cold weather damage of crops. For the North Korean authorities caught in the middle of a food crisis, this must indeed be "sweet rain after three years of drought."

With this money, approximately three times the donation amount recently announced by the United Nations for food assistance, North Korea could buy 420,000 tons of rice, or 620,000 tons of corn at international market prices, or, two months of food for all North Korean residents, given proper rationing procedures.

Doubts have been raised, however, that North Korea has not been using the money to deal with the food crisis.

Our primary concern, then, is where this fund has been secreted away. As of yet, there has been no evidence that the North has used the money to buy food. Under pressure to provide more food assistance, these doubts place our own country in an awkward and unpleasant position.

Throughout history, the first task of a nation is to feed its starving people. Given this, we must question then, why are North Korea authorities disregarding their primary duty? We must also question if the released figures for the food shortage are realistic, and whether or not North Korean authorities would properly ration any food assistance they may receive.

Should the North Korean government continue to make no independent effort to solve their food crisis, relying entirely on outside help or other measures such as collecting on insurance policies, we can only become a bottomless well-spring of resources for them. In addition, we must also carefully monitor the whereabouts of the flood insurance payments the North Korean government will receive, which are expected to be about as much as the insurance payments for cold weather damage. At this point, then, our government should urge the international community to fully investigate if North Korea is using its insurance claims improperly while attempting to garner foreign assistance.

#### **ROK: Taiwan To Furnish \$7 Million in Aid to DPRK**

*SK1106120896 Seoul YONHAP in English  
1159 GMT 11 Jun 96*

[FBIS Transcribed Text] Hong Kong, June 11 (YONHAP) — Taiwan has tentatively decided to provide 25,000 tons of rice worth more than 7 million U.S. dollars to North Korea for free of charge to ease the acute food shortage facing the communist country, Taiwan officials said Tuesday.

The officials said the decision was based on a report tendered by a Taiwan provincial delegation which visited North Korea early this month to look into the food situation there.

They said that though Taiwan is not a member country of the United Nations, their country had been promoting the provision of rice to North Korea as it promotes a pragmatic diplomatic policy toward Pyongyang.

"Humanitarian factors and international opinions were fully taken into account in our decision to provide rice to famine-threatened North Korea," one of the officials said.

#### **ROK: Trade Report Notes Status of DPRK's External Trade**

*SK1006063196 Seoul THE KOREA ECONOMIC WEEKLY in English 10 Jun 96 p 23*

[FBIS Transcribed Text] North Korea's external trading volume fell 2.7 percent to \$2.05 billion in 1995, recording declines of five years in a row since 1990.

Japan became the largest trading partner of Pyongyang by passing China. South Korea was Pyongyang's third largest trading partner.

The Korea Trade and Investment Promotion Agency (KOTRA) recently published a report on the external trade of North Korea in 1995.

According to the report, North Korea's exports fell 12.3 percent to \$736 million in 1995 and imports rose 3.7 percent to \$ 1.31 billion, resulting in trade deficit of \$580 million. Trading with Western countries rose 2.2 percent, while that with communist countries declined 10.4 percent. As a result, the share of North Korea's trading with Western countries rose to 64 percent.

The trading volume with China fell 11.9 percent to \$550 million since China has enforced trade conditions, including cash payment. Furthermore, China has reduced aid-like trade with North Korea.

On the other hand, trading with Japan rose as much as 20.5 percent to \$595 million. The increase was largely due to rising exports of finished textile goods to Japan.

South Korea exported \$640 million worth and imported \$220 million worth, thus recording a trade surplus of \$420 million.

Meanwhile, North Korea has rice shortage of 3 million tons. North Korea lost 2.4 million tons of rice from the flood and had usual shortage of 1.6 million tons, thus bringing about a total rice shortage of 4 million tons. Excluding 962,000 tons of rice secured through imports or emergency aid, North Korea is in rice shortage of about 3 million tons.

Even though North Korea increased imports of crude oil by 20.9 percent to 1.1 million tons last year, it is still suffering from energy shortage also.

#### **ROK: Unification Ministry: Inter-Korean Trade Down 'Sharply'**

*SK1006062996 Seoul THE KOREA ECONOMIC WEEKLY in English 10 Jun 96 p 23*

[FBIS Transcribed Text] Inter-Korean trade is decreasing sharply, the Ministry of Unification said.

Trade volume between Seoul and Pyongyang in April amounted to \$17.12 million on an approval basis, down 27.7 percent from the same period of last year and 37.4 percent from the previous month, respectively.

Imports decreased 18.2 percent to \$12.94 million from the previous month, while exports dipped 63.7 percent to \$4.18 million.

Combined trade volume during the first four months of this year fell 32.2 percent to \$74.63 million over the same period of last year.

Trade based on processing on commission also decreased 56.9 percent to \$2.14 million in April over the previous month.

#### **ROK: KEDO, DPRK Accord on Communications in Protocol Talks**

*SK106062896 Seoul YONHAP in English  
0610 GMT 11 Jun 96*

[FBIS Transcribed Text] New York, June 10 (YONHAP) — The Korean [Peninsula] Energy Development Organization (KEDO) and North Korea have reached a communications and transit protocol agreement in support of the light-water reactor project, a KEDO source said Tuesday.

On the use of satellite communications, an especially thorny issue, the two sides have agreed that they can be used once the reactor project gets underway in earnest, the source who asked not to be identified said.

As a result, KEDO and the Korea Electric Power Corp., the prime contractor for the reactor project, will communicate with the reactor project site in Sinpo, North Korea, through the North's established communications network until the initial stages of the project, after which they will be able to communicate via satellite.

They are, however, still at odds over sea and air transit, and Tuesday and Wednesday may prove to be important in overcoming their differences, according to the source.

The North Koreans have reportedly agreed to allow only barges carrying major equipment for the reactor project to navigate its territorial waters.

The communications and transit protocol negotiations which began April 16 are now in their ninth.

#### **ROK: Poll: Majority of South Koreans Still Wary of North**

*SK1006130996 Seoul YONHAP in English  
1037 GMT 10 Jun 96*

[FBIS Transcribed Text] Seoul, June 10 (YONHAP) — Much more South Koreans feel the South should remain guarded against North Korea than those who believe

the South should embrace the troubled North from a brotherly approach, a recent opinion survey showed Monday [10 June].

The survey taken by the Media Research Co. in a contract awarded by the Information Ministry, displayed that 55 percent of the questioned replied that South Korea should not slacken vigilance against North Korea because Pyongyang continues to try to re-invade the South.

Of the 1,000 people aged 20 or older questioned in the June 4-5 survey, 25 percent said the South should embrace the North in a brotherly gesture.

On the question if they think the country could join the ranks of advanced countries in the early 21st century, 29 percent of the pollees replied they believe so while 57 percent said that though South Korea would develop more than now, the country is not likely to be an advanced nation by then.

Asked what they think is most essential to the country's entry into the ranks of advanced countries, 29 percent gave citizens' matured conscience.

Those who cited economic development and more democratic politics accounted for 27 and 19 percent, respectively.

#### **ROK: Kim Yong-sam Urges Rectified History To Uphold Patriotism**

*SK0606115496 Seoul YONHAP in English  
0224 GMT 6 Jun 96*

[FBIS Transcribed Text] Seoul, June 6 (YONHAP) — President Kim Yong-sam Thursday [6 June] stressed that the country will have to rectify its history to elevate the national spirit and establish the right sense of value.

Speaking to a Memorial Day ceremony held at the National Cemetery in Tongjak-tong, Seoul, Kim said that the first step to the rectification of history is to uphold the patriotic spirits of those who sacrificed themselves for the defense of the country and take good care of their descendants.

"Retrieving the honor of the April 19 revolution and the May 18 democratization movement and punishing those responsible for the Dec. 12 military coup will be part of an effort to rectify history," Kim said.

The president urged the gathering not to forget that the peace, freedom, democracy and prosperity "we are enjoying now are the priceless fruits grown from the seeds of sacrifices made by the deceased patriots and soldiers who were killed in defense of the country."

President Kim also said that the country will have to work toward unification and the center of the world in the 21st century which can be respected and loved by other countries to realize the wishes of the deceased patriots.

Kim is the first president to attend the Memorial Day ceremony since 1980.

**ROK: Kim Yong-sam Discusses State Affairs, Situation**

*SK1106020296 Seoul HANGUK ILBO in Korean  
9 Jun 96 pp 3-4*

[Interview with ROK President Kim Yong-sam by HANGUK ILBO editors Yi Song-chun and No Chin-hwan on 8 June at Chongwadae, the presidential offices, in Seoul on the occasion of the 42d anniversary of HANGUK ILBO]

[FBIS Translated Excerpt] [HANGUK ILBO] What will you focus on during the remaining period of your term?

[Kim] While strengthening national security, I will focus on improving the people's quality of life—including the liquidation of corruption, public security, civil administration, the environment, and public health—in the direction of globalization. With a view to further improving international competitiveness, I will also work on the second-phase deregulation, on improving labor-management relations, and on the transparency of company management. [passage omitted]

[HANGUK ILBO] The next presidential election will be very important to the consummation of new politics. What is your idea about the 15th presidential elections?

[Kim] It is too early to talk about that while I still have a year and eight months to my term. When the time is right, I will naturally talk about it. Now, it is more important to reflect on the people's opinion toward state policies as shown in the general election results.

[HANGUK ILBO] You once mentioned a "surprisingly young candidate." What is your opinion of the qualifications of a presidential candidate?

[Kim] We had better not discuss this so early. I will only tell you that the next presidential candidate for the New Korea Party will be selected in accordance with the changes of the times and the expectations of the people.

[HANGUK ILBO] Then what virtue should be possessed by a desirable political leader?

[Kim] What is most important is that a leader should truly care about the future of the country. The leader should be earnest and should be able to defy temptation.

It is also important that the leader should be able to sacrifice himself. It is very difficult for a politician to sacrifice himself. [passage omitted]

[HANGUK ILBO] Even if North Korea still withholds its decision on the four-way talks, do you have any intention to provide North Korea with grain aid around July or August when the food crisis will become most serious?

[Kim] I have said this on many occasions. North Korea's food shortage is a structural problem. The solution should take a structural approach. However, civilian aid through the Red Cross and other channels has been ongoing.

[HANGUK ILBO] How do you expect North Korea will respond to the four-way talks proposed by you and U.S. President Clinton in April?

[Kim] The background of the four-way talks for establishing a peace system on the Korean peninsula is the unstable North Korean situation. North Korea is postponing an official reply, but the proposal is supported by the international community. The beneficiary of the four-way talks will be North Korea, so North Korea will have no choice but to accept it.

[HANGUK ILBO] Will North-South economic cooperation be connected with the four-way talks, or will the principle of separating political and economic affairs be maintained?

[Kim] Under the supervision of the government, North-South economic cooperation will be developed step by step in accordance with the development of North-South relations. North-South economic cooperation cannot be pursued in consideration of economic aspects alone, but it is not desirable either to too strongly connect this with other issues.

[HANGUK ILBO] The defection of the upper class North Koreans is increasing, including a MiG pilot and a scientist. How do you assess the present situation in North Korea?

[Kim] I sometimes receive reports on North Korean moves several times a day. Although I cannot give you the details, the situation is quite serious. North Korea's food and energy shortages are due to its structural contradictions. Unless North Korea reforms and opens up, there is no hope. The succession issue and other internal situations are uncertain. As we can see from the successive defection of the upper class, its internal control is also facing difficulty.

[HANGUK ILBO] Why do you think North Korea is making provocations one after another on land and sea?

[Kim] The provocations appear to be aimed at strengthening internal unity against many domestic difficulties. Maybe North Korea is testing us. The reason tensions on the Korean peninsula have not been eased is to a great extent related to North Korea's internal situation. [passage omitted]

[HANGUK ILBO] Despite the government's many efforts, people still think economic and administrative deregulations are not sufficient.

[Kim] Over the past three years, all government departments have pursued deregulation as a key economic policy, but it is true that deregulation is not sufficient. Improved policies and systems have been adopted in finances, land, and other fields most demanded by business circles, and more deregulation is in process. [passage omitted]

[HANGUK ILBO] With the ROK's membership in the OECD, more pressure is expected on market openings. Do you have any plans for this?

[Kim] The ROK's OECD membership is for our country to actively participate in the forming of the international economic order and thereby defend national interests. Many regulations will be improved to enhance the efficiency of the ROK economy. The government will continue to improve the systems of foreign exchange, investment, trade, finance, and other fields to the level of advanced countries. The speed and method will be adjusted in a way to help the stability of the ROK economy and the improvement of international competitiveness. [passage omitted]

[HANGUK ILBO] The last question is a personal one. What are your plans after retirement?

[Kim] I have been too busy to think about that. Since you have asked, I think I will live a quiet life with my neighbors who have always been so supportive.

#### **ROK: Government Not To 'Risk Economic Stability' for OECD**

*SK0906014696 Seoul THE KOREA HERALD in English 9 Jun 96 p 9*

[FBIS Transcribed Text] The government yesterday reaffirmed its position that it would not risk economic stability to obtain membership to the Organization for Economic Cooperation and Development (OECD).

The government decided to conclude future negotiations with the Paris-based club of 27 industrial nations on its entry on condition that it would not place an excessive burden on the Korean economy, the Ministry of Finance and Economy said yesterday.

The decision was made Friday at a meeting of the international economic coordination committee, an inter-ministry coordination panel, which Deputy Prime Minister and Minister of Finance and Economy Na Ung-pae presided over.

The decision is widely seen as hinting that Korea will not open its financial markets so drastically that its economy may not withstand such opening measures. It also drew attention as Korea is now negotiating with the agency on its admission. Three crucial negotiations will soon be held, while Korea has passed OECD screening on maritime transportation, insurance, financial markets and environment.

The OECD committee on fiscal policy will hold a review session June 26, while negotiations with the Committee on Capital Movements and Invisible Trade and the Committee on International Investments and Multinational Enterprises will begin July 4.

Whether Korea will be able to obtain admission will depend on the results of the negotiations with the three committees, the ministry said.

The OECD has demanded that Korea should further open and liberalize its financial markets to become its member nation.

#### **ROK Media Comment on Kantor, Barshefsky Appointments**

*96P30193A*

[FBIS Report] According to ROK media, Mickey Kantor's appointment as Secretary of Commerce and Charlene Barshefsky's nomination as U.S. Trade Representative signal the continuation of an aggressive U.S. trade policy to open foreign markets. Several press reports noted Barshefsky's reputation as a tenacious negotiator and predicted rough sailing for South Korea in dealing with the new USTR.

The widely-read daily newspaper CHUNGANG ILBO on 14 April characterized Kantor as being "very aggressive" and "more politically astute than principled." The paper also said his appointment would raise Commerce's profile and mean the continuation of existing U.S. trade policy.

Another widely-read daily newspaper, HANGUK ILBO, on 14 April opined that Kantor's appointment demonstrates the United States' determination to improve the competitiveness of the U.S. products abroad, but then raised the question of whether Kantor, who has shown an "outstanding ability" as a trade negotiator, will also be able to lead the United States in producing competitive products for foreign markets. A separate

HANGUK ILBO article on the same date compared Barshefsky's "boldness" and "sharp analytical ability" to that of Carla Hills, but predicted that Barshefsky would be even tougher on South Korea.

The April 14 edition of the business-oriented MAEIL KYONGJE SINMUN viewed the appointments of Kantor and Barshefsky as a "highly sophisticated strategy" intended to gain political support at home, and argued that Kantor's experience as a trade negotiator would contribute to domestic economic development. The paper also said the appointment was meant to counter efforts to dissolve the Commerce Department, adding that Kantor was "remarkably persuasive" and had a "solid base" in Congress. Calling Barshefsky "the eye of the typhoon," the same article noted that she had "strongly criticized" South Korea for seemingly going along with the market opening, but in reality building up new trade barriers. The paper added that she does not have a good relationship with the ROK embassy in Washington.

While predicting that Barshefsky would "tenaciously" pressure South Korea to open its markets, the pro-government paper SEOUL SINMUN on 14 April wrote that Seoul may be more comfortable in dealing with her than Kantor because she is well-versed in trade practices, while he is more politically inclined.

#### ROK: Country's Self-Sufficiency Rate for Rice Falling

SK1006060496 Seoul THE KOREA ECONOMIC WEEKLY in English 10 Jun 96 p 6

[FBIS Transcribed Text] In October last year when Korea first imported rice in line with the settlement of the Uruguay Round, then Agriculture Minister Choe In-ki made a public promise that the government will never import table rice.

Only after a year of the firm promise, however, the government is most likely to break the promise this year. Voices are becoming louder and louder among government officials that the nation should import table rice to make up for shortage of rice.

The rice self-sufficiency has been shaken by decreased number of rice farmers along with reduced rice farming land. Last year's harvest, the worst since 1980, was also blamed for the so called current food crisis.

Between 1990-1994, the number of rice farmers decreased by 320,000. The rice farming land also fell 4.2 percent to 1.05 million ha [hectares] last year. Between 1990-1995, rice fields declined 15 percent.

As a result, the self-sufficiency rate is falling rapidly from more than 100 percent in 1991 to 92.2 percent. The rice stock held by the government also fell to 2.72

million som (one som equals 144 kg) this year from 4.72 million som in 1995 and 8 million in 1994. The figures are far lower than optimum stock level of 5.5-5.9 million som recommended by the Food and Agriculture Organization.

What's worse is that the future is not bright.

Kim Chong-ho, senior research fellow of the Korea Rural Economics Institute, warned, "If this trend continues, the rice stock will run out in 2004. The self-sufficiency rate will fall to 89 percent, in the worst case to 84 percent."

#### ROK: Government To Develop Overseas Agricultural Bases

SK1006060096 Seoul THE KOREA ECONOMIC WEEKLY in English 10 Jun 96 p 6

[FBIS Transcribed Text] In an effort to effectively cope with a possible food crisis, the government will develop overseas agricultural bases in northern area, Southeast Asia, Latin America and Australia.

Choe Yong-kyu, director general of the International Agriculture Bureau of the Ministry of Agriculture, Forestry and Fisheries, said the government will promote overseas investment in agriculture in these four areas, thus producing grains suitable for weather and soil conditions of the regions and introducing the output to Korea.

At a recent seminar on overseas investment in agriculture, sponsored by the Korea Rural Economic Institute, Choe said Southeast Asian countries, including Myanmar [Burma] and Vietnam, will be proper for rice production. In Latin American countries like Argentina and Brazil, production of rice and feed will be suitable. Northern area, including Russia and China, will be the best place for production of corn, beans and wheat. In Australia and New Zealand, development of livestock farms is recommended, Choe explained.

The Korea Rural Development Corporation is already conducting a field survey in the area of the Mekong River, tapping the possibility of participation by private companies in development of agricultural bases there.

Despite geographical disadvantages, Argentina has a vast moorland with cheaper land prices.

In Australia, Samsung Co. will invest 10 million Australian dollars to purchase a stock farm in Sydney covering 17.3 million pyong (one pyong equals 3.3 square meters).

Northern area has fertile soil and easier access to Korea, Choe explained.

**ROK: Ministry Refutes SANKEI SHIMBUN's  
Claim on DPRK Missiles**

*SK1106055396 Seoul THE KOREA HERALD  
in English 11 Jun 96 p 3*

[FBIS Transcribed Text] It is unlikely that North Korea has already developed four nuclear-tipped missiles, the Defense Ministry said yesterday, denying a news report of a Japanese daily.

A ministry official said that North Korea may have extracted eight to 15 kg of plutonium, with which Pyongyang could produce one nuclear bomb or two.

"But as North Koreans have not yet conducted a nuclear test, we cannot confirm whether they have actually produced a nuclear bomb," said the official.

Even if the seclusive Communist country has produced one it would be a Nagasaki-class "fat bomb," which is so heavy that an ordinary missile cannot carry it, the official explained.

He said North Korea's Scud-B or C type missiles cannot carry such a heavy nuclear bomb.

"So it is doubtful that North Koreans have four nuclear-tipped missiles," he said.

He was referring to the SANKEI SHIMBUN report that a senior North Korean official has told the United States that his country has four nuclear-tipped missiles which can strike South Korea and Japan.

SANKEI, quoting U.S. military sources in Japan and Japanese security police, reported Sunday that Kim Chong-u, vice chairman of North Korea's External Economy Commission, made a comment to the effect that "many people in South Korea and Japan would fall victim to four nuclear missiles, if Pyongyang's request for rice aid and technological help for light-water reactors was not met."

**ROK: U.S. Agrees To Lift Missile Technology  
Curbs**

*SK1106095996 Seoul YONHAP in English  
0921 GMT 11 Jun 96*

[Report by Hwang Tu-hyong: "U.S. Agrees To Revise MOU Limiting S.K.'s Missile Technology"]

[FBIS Transcribed Text] Seoul, June 11 (YONHAP) — The United States on Tuesday agreed on the need to revise the memorandum of understanding (MOU) on restricting the missile capabilities and transfer of missile production technology to South Korea to allow Seoul more advanced space technology toward the 21st century, a Foreign Ministry official said.

Emerging from the two-day talks with U.S. officials on non-proliferation of missile technology and other weapons of mass destruction, Deputy Director General Song Min-son of the ministry's American Affairs Bureau said that "the U.S. side promised that it will give serious consideration to the proposal made by South Korea on revision of the bilateral agreements which limit South Korea's missile capabilities and space technology."

On several occasions since 1979, South Korea signed agreements that it will not acquire or develop technology for production of missiles with a range of more than 180 kilometers in return for transfer of technology from the United States for production of missiles with the range less than 180 kilometers.

The Missile Technology Control Regime (MTCR), which South Korea plans to join as soon as possible, however, allows transfer of missile technology with a range of 300 kilometers and 500 kilogram payload among member countries.

"The United States agreed in principle to the idea of South Korea joining the MTCR as soon as possible," Song said, adding that South Korea and the United States also agreed to find solutions to the issue through similar meetings.

The revision of the bilateral agreements restricting Seoul's missile capabilities and Seoul's joining the MTCR are closely related and, therefore, Seoul and Washington need to address complicated problems related to the issue of Seoul's joining the MTCR, according to Song.

Song said that the two sides discussed a wide range of issues involving missile capabilities and transfer of missile technology during the two-day talks on nonproliferation.

The deputy director general would not elaborate on the contents of the talks, but added that the South Korean side explained the country's long-term space technology development program and sought support from the United States.

The U.S. position on the issue is that commercial space technology also affects military technology and they will have to seriously examine the possibility of providing space technology for commercial use to South Korea, according to the official.

"The U.S. does not want to provide commercial rocket technology with a range of more than 300 kilometers because it's afraid of the possibility that it will be used for military purposes, although we stressed the

need to develop rocket technology for a long-term space technology development program," Song said.

The official did not favor the idea of getting space technology from countries other than the United States in case the U.S. refuses to provide missile technology with a range of up to 300 kilometers, saying, "That means we will no longer be able to get missile technology from the U.S."

"We will have to seriously consider the viability of the idea of scrapping the bilateral agreements which on one side guarantee South Korea missile technology, though limited, and on the other restrict missile capabilities."

Explaining that, during the missile talks, South Korea thanked the United States for its missile technology transfer so far made, Song said that joining the MTCR does not automatically guarantee a transfer of technology for the production of missiles with a range of up to 300 kilometers, although MTCR regulations allow such technology transfers.

Ministry officials refuse to accept the notion that North Korea has more advanced missile technology than South Korea. "If we consider the range and number of warheads alone, we can say that."

They, however, insist that the North's Scud missiles are inaccurate and they could not be devastating for military targets once armed with conventional warheads, although Scuds with chemical or nuclear warheads could be devastating even if they were inaccurate.

South Korea's Nike Hercules Korea II, meanwhile, is very accurate and sophisticated enough to threaten neighboring countries other than North Korea, Japan and China once they have extended target ranges, they say.

Another factor adversely affecting the negotiations between Seoul and Washington on transfer of more advanced missile technology to South Korea is that the United States has been trying to dissuade North Korea from developing its missile technology.

"The United States does not want to be put in an awkward position in talks with North Korea which might raise the issue of South Korea's more advanced missile technology," an official said.

South Korea has also been pursuing developing commercial and scientific space technology with no range limit to catch up with the space age of the 21st century despite opposition from the United States which does not want other countries to develop space technology which could be used for military use.

The North Korea factor and the keen international competition for space technology will surely complicate

further negotiations with the United States on missile technology, officials say.

**ROK: Daily Urges Revision of 1990 ROK-U.S. Missile Memorandum**

*SK1106060996 Seoul SEOUL SINMUN in Korean  
11 Jun 96 p 3*

[Editorial: "ROK-U.S. Missile Memorandum Must Be Revised"]

[FBIS Translated Text] The ROK and the United States began a two-day meeting in Seoul on 10 June to discuss policies for the nonproliferation of weapons of mass destruction. This meeting is important because the two countries will reexamine the so-called ROK-U.S. missile memorandum for the first time. This memorandum has been a point of dispute since it was signed in 1990.

We consider the ROK-U.S. missile memorandum as questionable because it prohibits the ROK from developing rockets with a range of 180 kilometers or over, and with a carrying capacity of 500 kilograms or over. North Korea has already deployed 650 [number as published] remodeled Scud-B and C missiles with a maximum range of 500 kilometers for use in an actual war, and is now hurrying to develop 1,000-kilometer-range Nodong No. 1 missiles and 3,500-kilometer-range Taepodong No. 2 missiles. It is unfair for the ROK, the first simulated target of North Korea's missile attack, to be bound to a 180-kilometer range under these circumstances.

Of course, the United States claims it will protect the ROK from North Korean long-range missiles, but it is difficult for the ROK to believe this. In addition, the Missile Technology Control Regime [MTCR], which was inaugurated in 1987 under U.S. leadership, allows the development of missiles with a range of 300 kilometers or less and a payload of 500 kilograms or less. However, the ROK-U.S. missile memorandum concluded after the inauguration of the MTCR restrains missile development more does than MTCR.

The ROK has decided to join not only the MTCR but the Australian Group, which was inaugurated in 1985 for controlling exports of chemical materials, and has gone through the necessary amendments of pertinent domestic laws. It is a paradox that the ROK is still screwed down to restrictions by the ROK-U.S. missile memorandum under this situation.

We understand that an overall revision or the abolition of the ROK-U.S. memorandum now, when U.S.-North Korea missile negotiations are drawing near, is somewhat dangerous because it could irritate North Korea.

However, U.S.-North Korea negotiations are one thing, and ROK-U.S. issues are another.

In addition, the development of missile technology was directly linked not only to military purposes but to space development. We cannot help but worry about a possible situation where we may be bound in our space development projects.

We hope the ongoing ROK-U.S. meeting will serve as momentum for correcting these perplexities and problems.

#### **ROK: F-16 Program To Generate Over \$1 Billion in Sales**

*SK1006072296 Seoul YONHAP in English  
0633 GMT 10 Jun 96*

[FBIS Transcribed Excerpt] The domestic aeronautics industry is expected to have 858 billion won (1,091.6 million U.S. dollars) in sales, up 163 billion won from last year's 694.2 billion won due to the full-scale implementation of F-16 fighter assembly, the Korea Aerospace Industries Association (KAIA) said Monday.

Total sales have increased steadily from 458 billion won in 1992 to 582 billion won in 1993 and 655.5 billion won in 1994, according to KAIA.

A KAIA official voiced worry, however, that it will be difficult for the domestic aviation industry to secure work to do after 1998 when the Korean Fighter Program (KFP) is completed, considering that it is heavily dependent on its military sector business.

Hence, if the projected Korea-China joint project to develop 100-seated passenger airplanes is not finalized in 1998, domestic aerospace industry will be dealt a severe blow, the official forecast. [passage omitted]

#### **ROK Army Test-Fires New Self-Propelled Artillery Model**

*SK1106090296 Seoul YONHAP in English  
0732 GMT 11 Jun 96*

[FBIS Transcribed Text] Seoul, June 11 (YONHAP) — The Republic of Korea Army successfully test-fired a new 15mm self-propelled artillery model at a firing range in South Chungchong Province Tuesday, the Defense Ministry announced.

Defense Minister Yi Yang-ho and other high ranking defense officials observed the exercise.

Dubbed "XK-9," the new self-propelled gun has a range of 40 kilometers, compared to 24km for the conventional K-55 model. To achieve this extended range, the new model has an eight-meter barrel, two meters longer than the conventional model.

The built-in automatic ammunition charge and fire control systems enable the new gun to fire the initial round within 30 seconds of a firing command. It can also fire 18 to 24 rounds every three minutes, a three-fold increase in firepower from the conventional model, the announcement said.

Served by a five-member crew, the new artillery when mounted on a caterpillar tractor can maneuver at up to 60km per hour and has a 98-percent hit rate.

Developed jointly by the Agency for Defense Development and Samsung Aerospace Industries, the XK-9 self-propelled artillery model will go into commercial production in 1999, the announcement said.

The North Korean Army is equipped with 20km-range 152mm and 50km-range 170mm self-propelled artillery.

### Burma

#### Burma: Opposition NLD Leader Urges United International Effort

LD1006111396 Cologne Deutschlandfunk Network in German 0515 GMT 10 Jun 96

[Telephone interview with Aung San Suu Kyi, leader of the Burmese National League for Democracy, NLD, by unidentified correspondent on 9 Jun; Aung San Suu Kyi speaks in English with superimposed German translation — recorded]

[FBIS Translated Text] [Announcer] In Burma the recent confrontation between the military dictatorship and the democratic opposition appears to be worsening. Despite the indirect threat by the regime to ban the opposition NLD and to punish so-called destructive activities with up to 20 years imprisonment, the leader of the League, Nobel Peace Prize laureate Aung San Suu Kyi, whose overwhelming election victory six years ago was not recognized by the military and resulted in years of house arrest and forced separation from her British husband, publicly spoke to thousands of her supporters again in Rangoon at the weekend. Yesterday we had the opportunity to speak to Aung San Suu Kyi in Rangoon by telephone. We asked her what she wanted to say to her audience.

[Aung San Suu Kyi] My main message is that when we founded the National League for Democracy we promised that we would work for democracy in Burma and we intend to abide by our promise. All the members of the league must abide by this promise to the people.

[Correspondent] The Burmese State Law and Order Restoration Council [SLORC] has just introduced a new law that threatens to punish so-called destructive activities with up to 20 years imprisonment. Do you now expect a more serious confrontation between the National League for Democracy and the SLORC military regime?

[Aung San Suu Kyi] If there is confrontation it certainly will not come from our side. We have never gone in for confrontation and we have never indulged in any kind of destructive activities.

[Correspondent] When you held the first party congress of the National League for Democracy in many years at your house in Rangoon in May, more than 250 members were arrested. What do you know about their fate?

[Aung San Suu Kyi] About 160 we know have now been released. We have not heard from about 100. So we do not know whether or not they have been released. We do know for certain that four NLD representatives from Rangoon are still in prison, as are some staff and

supporters of our party. A total of 20 or 21 people in Rangoon who were arrested before our party congress have still not been released. The treatment of those in prison varies. Some are treated quite well, others not so well. However, those others received special meals and videotapes were made of them that were then shown on state television. Some were treated quite well from the beginning, but some only for the propaganda films.

[Correspondent] The NLD now wants to present its own democratic draft constitution, which will be fundamentally different from the military rulers' version. This is likely to cause further conflict with the military regime. What about your personal security, are you expecting to be arrested?

[Aung San Suu Kyi] We never think of whether we are going to be arrested or not, because in Burma anyone can be arrested by the authorities at any time. No, we are not frightened of arrest. Nobody who is frightened of arrest can work for democracy in Burma.

[Correspondent] This week two U.S. Government envoys will make efforts in several southeast Asian states to coordinate pressure on the regime in Rangoon by the countries in the region. How do you see their chances of success?

[Aung San Suu Kyi] It is difficult to say. I cannot say. I think it is not right to make premature judgements of such missions. I think one must just wait to see what comes out.

[Correspondent] Trade and tourism are often seen as the catalysts of change in a totalitarian regime. Do you share this view?

[Aung San Suu Kyi] I do not think you can take it for granted that foreign trade and tourism equals change toward a more liberal regime. It is not that simple as many other factors play a part. Therefore one should not just assume that foreign trade and tourism are enough to turn a nondemocratic regime into a democratic one.

[Correspondent] How can democratic countries like Germany support the struggle for freedom and democracy in Burma?

[Aung San Suu Kyi] We believe in united international action. I think a united international front is very important. It would be much more effective than individual efforts by various countries. What we need is a joint effort by all UN member states to bring about the implementation of the UN General Assembly's Burma resolution. What we are striving for in Burma is exactly what the UN General Assembly's Burma resolution demands.

Since this has been adopted unanimously by the General Assembly, the international community does have a duty to try to implement its terms.

[Correspondent] Do you as laureate of the Nobel Peace Prize, the most important distinction of the democratic West, feel let down by the West sometimes?

[Aung San Suu Kyi] I do not feel let down. We are always grateful for international support, but we also know that eventually the struggle in our country depends on our people. It is probably those people who are listening in. [Interference on telephone line]

[Correspondent] Is there still hope for peaceful, democratic change in Burma?

[Aung San Suu Kyi] Well, I think there is always hope for a peaceful, democratic change. But what I can tell you is that I am absolutely confident that democracy will come to Burma sooner or later, and we hope sooner rather than later.

[Announcer] The Burmese opposition leader and Nobel Peace Prize laureate Aung San Suu Kyi this morning on Deutschlandfunk.

#### **Burma: Exiled Student Denies Spying on Students for Thai Police**

*BK1006074896 Bangkok THAILAND TIMES  
in English 10 Jun 96 p A2*

[Unattributed report]

[FBIS Transcribed Text] Bangkok — An exiled Burmese student yesterday vehemently dismissed a news report that he was a spy selling information of Burmese students' activities to Thai authorities.

"It aims to create conflicts among Burmese students in Thailand," John Aung said of the news report in a message faxed to THAILAND TIMES yesterday.

John Aung's statement followed a story published by THAILAND TIMES on June 6. The story said Maung Peng, a group leader of Burmese students in Thailand, had alleged John Aung was a spy who leaks information of their movements to Thai police.

The exiled Burmese student, who fled to Thailand in 1991 after the military junta's crackdown on pro-democracy forces, said the news story would have some negative effects on Burmese students living in Thailand during their fight for democracy.

But, he said he was not worried by the ungrounded news report since it was intentionally designed to show there were conflicts among Burmese students in Thailand.

John Aung, who claimed he once joined with the ethnic rebel New Mon State Party fighting for greater

autonomy from Rangoon, also called on the Burmese junta to scrap its on-going national convention charting the country's future constitution that will guarantee a permanent role for the military in political affairs, and to negotiate with the National League for Democracy, the opposition party led by Aung San Suu Kyi.

He also urged the Association of Southeast Asia Nations (ASEAN) to reject Burma's application for the grouping's membership until democracy is restored in the country.

#### **Burma: Pro-SLORC Rally Held in Kyaukme 3 Jun**

*BK1006153996 Rangoon TV Myanmar Network  
in Burmese 1330 GMT 9 Jun 96*

[FBIS Summary] A mass rally attended by 47,270 people from three townships to support the State Law and Order Restoration Council's [SLORC] national constructive development works and to denounce "destructionists" was held at the People's Sports Grounds in Kyaukme on 3 June.

During his address to the rally, U Aung Htein, chairman of the rally and retired headmaster, explained the fruits of SLORC's national reconsolidation efforts with the return of 16 jungle-based ethnic armed groups to the legal fold and noted that "peace and stability has been achieved as never before." He hailed the SLORC's constructive undertakings on behalf of the country and said that the fulfillment of the people's food, clothing, and shelter needs is "giving priority to the people's basic human rights." He said: "We must consider the externally influenced axe handles who are disrupting the nation's development to be our enemy." He finally urged the public to "support the SLORC's constructive development works and denounce the internal and external destructionists."

After the chairman's address, U Sai Naw Hkam Oo introduced a motion to support the SLORC's national constructive development works and to denounce "destructionists". The motion was seconded by U Sai Aung Thint and the people attending the rally. The rally ended with the chanting of slogans.

#### **Burma: Rally To Support SLORC Held in Prome 3 Jun**

*BK1106093196 Rangoon TV Myanmar Network  
in Burmese 1330 GMT 10 Jun 96*

[FBIS Summary] A mass rally, attended by more than 37,000 people from six townships, was held to support the State Law and Order Restoration Council's [SLORC] national constructive development works and to denounce "destructionists." It was held at the Township Sports Grounds in Prome on 3 June.

In his address to the rally, U Soe Lwin, chairman of the rally and headmaster of State High School No. 3, noted the joint efforts of the government, the people, and the defense services to produce "unparalleled success in the political, economic, and social spheres." He explained the various achievements and national reconsolidation efforts. He said "destructive forces, who do not wish to see the nation's developments, have been wrongly defining the state's successes, and instigating the people to deviate from the right and peaceful path." He remarked that "these destructive forces impose a real danger to our country." He finally urged the entire populace "to reject and oppose these destructive forces for the benefit of the country and the people."

After the chairman's address, Dr. Daw Than Than Htay, Prome Township health officer, made a motion to support the SLORC's national constructive development works and to denounce the acts of "destructionists." The motion was seconded by Daw Khin Mi Mi, high school teacher from Prome Township State High School No. 5, and those attending the rally. The rally ended with the chanting of slogans.

#### Burma: Daily Urges Opposition Not To Take SLORC 'Leniency' Lightly

*BK1006113296 Rangoon THE NEW LIGHT OF MYANMAR in English 10 Jun 96 p 6*

[Editorial: "Public Indignation"]

[FBIS Transcribed Text] For over a week there has been public indignation expressed openly at mass meetings in States and Divisions of the Union over what has been perpetrated by axe-handles of neocolonialists here at home and their subversive cohorts abroad.

Evidently what the group of saboteurs who choose to go against the government for whatever excuse is doing is to level unfounded charges to belittle the good work that has been done by the people, the government, and the Tatmadaw [Defense Services].

When that very group stirred up trouble way back in August 1988 and stepped back into the wings when the situation became uncontrollable, it was the Tatmadaw which had to step in to save the Union from disintegration.

It was not the first time. Every time peace and tranquillity began to reign, saboteurs stepped forward to disturb. This time, it is much worse because the group in this country is being dictated to by alien neocolonialists who seek to influence the group and make maximum capital out of it.

This group which has recently stepped up hostility against the government has trampled upon the norms

of decency and regard for achievements of the people, the government, and the Tatmadaw.

Everyone in his or her right senses is aware of the significance of the achievements in the time of the State Law and Order Restoration Council [SLORC]. Yet this group blatantly chooses to look the other way and speak ill of what has been achieved.

Before week's end, a law was made in response to the needs of the times, more specifically to act to curb those looking for trouble by making preservation of public order difficult. Leniency shown should not be taken lightly, much less ignored.

To remind those who would see things different of public indignation over their acts People's Desire posters were hoisted yesterday in four districts of Yangon [Rangoon] Division.

These reflect what the majority of the public feel should be done in the face of bellicose acts of the public's common enemy.

The posters are a distinct reminder of what the people would want to do and will do — Oppose those relying on external elements, acting as stooges, holding negative views; Oppose those trying to jeopardise stability of the State and progress of the nation; Oppose foreign nations interfering in internal affairs of the State; and, Crush all internal and external destructive elements as the common enemy.

Just after schools under the Basic Education System started their 1996-97 academic year, no one would want peaceful pursuit of education disturbed. Nor would peasants and workers like to see their work interrupted. Nor would anyone of us want a revival and replay of the 1988 scenario for it would deprive many of a good means of livelihood when construction in progress is halted.

Against concoctions leveled at the government and the Tatmadaw, the truth is that the public deserves peace and tranquillity for an undisrupted life. There is great public indignation over what subversives are trying to do.

## Brunei, Malaysia & Singapore

### Malaysia

#### Malaysia: Minister Cautious About Singapore Merger Remarks

*BK1106095896 Kuala Lumpur WATAN in Malay 10 Jun 96 p 4*

(Unattributed report)

[FBIS Translated Text] Ampang, Sun — Tan Sri Muhyiddin Yasin, UMNO [United Malays National Organization] Vice president was less confident than Singapore Senior Minister Lee Kuan Yew over the possibility of Singapore rejoining Malaysia.

However, he said despite the views of certain groups that the two countries have a similar way of life, there are still numerous aspects which should be taken into account, irrespective of whether they are related by history, society, politics, culture and religion.

According to Muhyiddin, who is also the Minister of Youth and Sports, the two countries may possibly have a totally different interpretation of meritocracy, seen as ability without privileges being accorded to any particular race.

Speaking after the closing ceremony of an international seminar on Islam and reforms sponsored by ABIM [Islamic Youth Movement of Malaysia] here today, he said: "I am not very confident over Singapore rejoining Malaysia. Let us be with our own ways and they with their's, as long as we remain good and friendly neighbors."

Muhyiddin said this last night when he was asked to comment on Lee Kuan Yew's statement on the possibility of the republic becoming a part of this country should Malaysia accept several conditions, including meritocracy, which is currently practiced by Singapore.

Another condition is that Malaysia should have the determination to reach the similar goal of developing the economy to its maximum for the benefit of its citizens.

#### Malaysia: Column Rejects Chance of Rejoining With Singapore

*BK1106095596 Kuala Lumpur THE STAR in English 10 Jun 96*

[Comment Column by V.K. Chin: "Reunion Pure Wishful Thinking" — received via Internet]

[FBIS Transcribed Text] Singapore to rejoin Malaysia? Forget it as it is not going to happen. Pure wishful thinking. Singapore's senior minister Lee Kuan Yew

touched on this remote possibility when addressing a Singapore Press Club dinner in the republic last week.

In fact, many Singaporeans would regard it as a non-starter. No doubt so do many Malaysians even though Lee had said the conditions must be there before his country could consider such a possibility.

Since this thinking aloud was done by its most respected political leader, this is a topic which will be the subject of much debate in Singapore for many days to come.

It is something which has suddenly come out of the blue. As the countries involved are Singapore and Malaysia, it is a proposal which even peoples of both countries will reject out of hand.

After all, it was just 31 years ago that the two parted company in a rather acrimonious manner. While the circumstances leading to the breakup are still cloudy, leaders at the time were quite happy that the inevitable had taken place. Malaysia's version was that Singapore left on its own accord while the latter said that it had been kicked out. The root cause was political as Kuala Lumpur had been extremely upset with the People's Action Party (PAP) for fielding candidates in the 1964 Malaysian general elections. It was the PAP's slogan of a 'Malaysian Malaysia', which questioned the rights and privileges of the bumiputras (indigenous people), that soured relations between the two governments.

With Singapore's departure, this slogan was taken up by other opposition parties which people believed had led to racial tension and eventually the May 13 incident.

Since leaving the federation, Singapore had become an economic success through its own system of government and policies. Some people may disagree with its way of doing things but it cannot be denied that Singaporeans now enjoy the highest standard of living in Asia, next only to the Japanese.

At the same time, Singapore has chosen its own brand of democracy with meritocracy as its way of life. The PAP's electoral support may have been eroded in recent years, but it is still accepted as the natural party of government.

The attitude of Singaporeans has also changed. With its growing affluence, they have become quite arrogant and materialistic and their behaviour is annoying to their neighbours.

Many Singaporeans tend to look down on their neighbours and unless they change this attitude, Malaysia and Singapore can only have close economic and trade relations and nothing more.

Whatever their differences, the two countries will remain major trading partners. One main obstacle to its rejoining Malaysia is that Singaporeans must be sure that such a political exercise will not affect their financial wellbeing.

In the past three decades, the thinking between Singaporeans and Malaysians has become wider and the mistrust will become more prominent as the years go by.

There is actually little to gain from Singapore's coming back to the fold and perhaps much to lose from such a union for both countries. What is more important is that both governments must continue to cooperate with each other for their mutual benefit.

**Malaysia: Official Reveals Construction Projects in Mindanao**

*BK1106101696 Kuala Lumpur THE STAR in English  
11 Jun 96*

[Unattributed report — received via Internet]

(PBIS Transcribed Text) Kuala Lumpur — Several Malaysian companies have clinched various construction projects valued at more than RM [Malaysian ringgit] 500 million in Mindanao, the Philippines, since the East Asia Growth Area (EAGA) was formed two years ago.

Construction Industry Development Board Malaysia (CIDB) chief executive officer Datuk Abdul Rahman Abdullah said these projects were in building, construction and civil engineering.

"The parties involved are currently in the final stages of negotiation and they are expected to sign an agreement soon," Abdul Rahman said after the CIDB welcoming ceremony to the Southern Philippines and Indonesian Trade Investment missions in Kuala Lumpur yesterday.

The missions are part of BIMP-EAGA, a sub-working group of the EAGA and comprise representatives from four countries — Brunei, Indonesia, Malaysia and the Philippines.

This is the third visit by the group since the formalisation of BIMP-EAGA.

Abdul Rahman said the projects currently negotiated were:

— Development of 10,000 low-cost housing units in Porto Princessa in Palawan by Pembinaan Fajar Baru (Rembau) Sdn Bhd [limited partnership];

— Construction of a five-star hotel, a privatised ring-road and cargo terminal in General Santos City by a consortium comprising UM Corp Bhd, Bina Puri Holdings Bhd and Kris Engineering Sdn Bhd;

— Water supply upgrading in Davao City by Puncak Niaga Sdn Bhd; and

— MacTan Island reclamation project by the joint venture between Puncak Niaga and Japan's Ito Chu Corp.

Besides these projects, other Malaysian companies such as Wing Teik Holdings Bhd and Westmont Bank have already set up operations in Mindanao, he said.

Abdul Rahman also said CIDB had so far registered at least 3,000 contractors from all classes. Effective July 1, all Malaysian contractors are expected to be registered with CIDB under a new government ruling.

**Malaysia: Completion of New Air Force Base Expected in Dec**

*BK0706134396 Kuala Lumpur NEW STRAITS TIMES in English 5 Jun 96 p 9*

[Unattributed report]

(PBIS Transcribed Text) Kuala Lumpur, Tues — Work on the RM [Malaysian ringgit] 85 million runway at the new Royal Malaysian Air Force (RMAF) base at the Kelantan-Terengganu border in Gong Kedak will be completed by this month, its chief Lieutenant General Datuk Sri Abdul Ghani Aziz said today.

He said once work on the 1,800m runway was completed, the contractors would undertake work on the taxiways which would be laid out by next month to complete phase one.

Abdul Ghani said the Gong Kedak base, which would house the RMAF's third basic flight training school that would be relocated from the Kuantan base, would be ready by December.

He said this was when the staff quarters for the 500 personnel under the second phase, and the base's terminal, administration and operations buildings under the third phase, would be built.

Abdul Ghani was speaking after receiving a courtesy call from Republic of Indonesia Air Force chief Air Vice-Marshall Sutria Tubagus at Wisma Pertahanan [Ministry of Defense].

He added that Gong Kedak would ease air traffic congestion at the RMAF Kuantan base which shares a common runway with the civilian airport, thereby restricting air space movement of air force pilots.

The Gong Kedak base will primarily serve the Pilatus PC-7 advanced turbo-trainer and the Malaysian-made SME MD3-160 basic aerobatic trainer for RMAF pilots.

Gong Kedak will also be used as a forward deployment base for the RMAF's MiG-29N Fulcrums and the McDonnell Douglas F/A-18D Hornets, both of which will operate on rotation out of Kuantan.

The 18 MiG-29N air superiority fighters are already operational with two squadrons Nos. 17 and 19, while the eight F/A-18D maritime strike fighters will be delivered from April next year.

On the conversion of two Hercules C-130 transport aircraft into tankers, Abdul Ghani said the Government had yet to approve it.

"We will continue to use the six A-4 Skyhawks as tankers for aerial refuelling," he said.

#### **Malaysia: Official Unsure of Al-Arqam Movement Revival**

*BK0906144496 Kuala Lumpur SUNDAY STAR  
in English 9 Jun 96*

(Unattributed report — received via Internet)

[FBIS Transcribed Text] Kuala Lumpur — Former al-Arqam leader Ashaari Muhamad has yet to show proof that there have been no attempts to revive the banned movement, Pusat Islam [Islamic Center] Director-General Brigadier General Datuk Abdul Hamid Zainal Abidin said.

"I don't believe him. We have been flexible and given him the opportunity to do so for the last two years but he has yet to prove it," he said in an immediate response to Ashaari's statement that he would not revive the movement even if given the chance.

Abdul Hamid said if former Arqam members were sincere, they would have attended the rehabilitation programmes organised by Pusat Islam and other authorities.

"Yes, we have brought him for roadshows but the problem is there was very poor response."

"If they are really sincere, they should stop the lifestyle of their movement."

On the arrest of former Arqam members, Abdul Hamid said the authorities would not have taken action without concrete evidence.

#### **Singapore**

##### **Singapore: Lee Kuan Yew Sees Need To Counter U.S. 'Propaganda'**

*BK1106071996 Singapore THE SUNDAY TIMES  
in English 9 Jun 96 p 20*

[Reports by Chua Mui Hoong, Wang Hui Ling and Leong Ching Ching]

[FBIS Transcribed Text] Senior Minister Lee Kuan Yew said on Friday night that the more the United States tried to persuade English-educated Singaporeans to its liberal democratic philosophy, the more he had to counter the propaganda and to alert them to the dangers of going down that road.

He made this point in reply to an American journalist who asked him to clarify his position towards the Americans, as he had criticized them even while expressing support for their continued military presence in the region.

Responding, Mr. Lee said that he was not against the Americans, but Singapore could not afford the free-for-all society propagated by them.

"The more you want to sell this idea of a free-for-all society, each individual for himself, the more you are threatening the survival of Singapore."

"I don't run you down for the sake of running you down. I need you here. But I have to tell my people to counter your propaganda that if we follow you, we'll be as happy as you are. I don't think that will be the result."

As an example, he said that if the individual's rights were elevated to a pedestal in Singapore, as in the US, and the death penalty for drug traffickers was challenged in court as being "unconstitutional" then "I don't think you can come to this place".

"The Golden Triangle is just two hours by air where there are the drug addicts who will kill or murder to get money to buy more drugs to satisfy their cravings."

"I cannot run this country. We have got it under control because we've got very tough laws which in your system is unconstitutional."

He stressed that he had admiration for an America he knew in the 1960s, which had done good things for the region.

For example, by fighting the Vietnam War, the US had planted the seeds for a booming Asia.

"I think if you had just left in 1965 instead of landing your marines, you would have a different South-east Asia . . ."

"And I think what you did, whether you intended it or not, created the booming South-east Asia that you see today because in the wake of your military commitment came the need to repair ships, aircraft . . . And that's how our industrialization started, amongst other ways."

But where he parted ways with the Americans was when they told Asians that they had to be like them.

"I said: 'Yes, I admire you from afar. I don't admire you at close quarters.' . . . If you want me to be you, that's a different matter because I won't survive. I can't run my country like you run yours."

#### **Singapore: Goh Chok Tong Views Relations With Europe**

*BR1006142196 Stockholm SVENSKA DAGBLADET in Swedish 7 Jun 96 p 2*

[Interview with Prime Minister of Singapore Goh Chok Tong by Johan Hakelius; place and date not given: "A Representative of the New Asia" — first three paragraphs are SVENSKA DAGBLADET introduction]

[FBIS Translated Text] In just a few decades, the city state of Singapore has gone from poverty to prosperity. The OECD recently listed Singapore — whose per capita income measured in purchasing power is greater than Sweden's — among the developed nations. And growth continues.

A few weeks ago, the prestigious Institute for Management Development (IMD) named Singapore the second most competitive economy in the world. The BERI institute in Geneva has concluded, on the basis of such things as labor productivity and educational level, that Singapore is the best country in the world in which to locate a company. Prime Minister Goh Chok Tong, who has just visited Sweden, and his legendary predecessor Lee Kuan Yew, who is now titled "senior minister," are not short of praise.

There is, however, the odd thing that dulls the shine. Many Westerners, for example, find the blatant conformism distasteful. The People's Action Party (PAP) dominates politics completely — with broad popular support, it is true — but with sometimes crass, if not violent methods. The government has proved itself extremely competent, but initiatives on its part are rare. But bearing in mind Singapore's fantastic progress, it seems appropriate for the West to listen rather than preach in many areas.

[Hakelius] What are the secrets behind Singapore's development?

[Goh Chok Tong] Let me begin with the basics. The main reason for Singapore's ability to survive and

flourish is the quality of leadership. I am speaking of course of the first generation of leaders, not of myself and my colleagues. Besides we had no choice but to attract multinational companies to Singapore. We have no hinterland to live off; we had to extend ourselves out into the world. And in order to succeed in this we have to strive for the best.

[Hakelius] You have said that you want to make Singapore into a more complete society. What do you mean by that?

[Goh Chok Tong] For us, the economy is the key to survival. We are very good at supporting ourselves, but we risk becoming economic animals. We must use our resources to become more complete: People who want to write, paint, and sing must be able to do this. And we must create the conditions for a population who can appreciate this.

[Hakelius] Singapore is sometimes criticized for being too conformist. How would you reply to such claims?

[Goh Chok Tong] My reply would be that there is a certain amount of truth in that. In a new nation, the emphasis is understandably on law and order. The leadership cannot allow too much movement in a small boat. But now we must increase freedom; the boat has become bigger. But at the same time, the fact remains that even if you can move around more in a bigger boat, you cannot bore a hole in its hull.

[Hakelius] We Swedes have traditionally been very generous in giving advice to other countries, but not as good at listening to their advice. What do you think Sweden can learn from Singapore?

[Goh Chok Tong] I think there are two areas where Sweden can find its own solutions with inspiration from Singapore. The first applies to the welfare system. When the state takes care of its citizens from cradle to grave, it places itself between the family and its area of responsibility. The individual looks to the state as its father and mother. In the course of time, the value structures of society may be weakened. In Singapore, we do of course have compulsory savings for pensions and health care, but our system is individual, not collective. This might perhaps be something for Sweden to consider.

The other area where Sweden might possibly get ideas from Singapore concerns economic development. Your neighboring countries have a lot in common with ours: They have a potential for economic development. Singapore has developed a strategy for benefiting from growth in neighboring countries: We create industrial islands in these countries. Our companies invest there, and later on companies from other countries follow.

because Singapore has a good reputation. As far as Singapore is concerned, this strategy has meant that we have grown by 2 to 3 percent more than we would otherwise have done. There is perhaps a similar opportunity for Sweden.

[Hakelius] There are surprisingly many similarities between Singapore and Sweden, despite all the differences. One is the similarity between the PAP and the Swedish Social Democrats. They are both very large parties with popular support who have played a dominant role during the postwar years. They have both actively worked for the modernization of their respective countries. Many people would now say that the Swedish Social Democrats have stagnated and defend the existing order. How is the PAP going to avoid such a fate?

[Goh Chok Tong] Here again I think it is a matter of leadership. My predecessor was very conscious of this danger. He recruited energetic, young, new leaders. However, the main thing is attitude. You have to keep up, read a lot, and reexamine your positions. But it is also a matter of culture. There is a very obvious pragmatic tendency in Asian culture, especially among the Chinese.

[Hakelius] The end of the 20th century will probably be described as a period of great change. What do you think the world will look like in 20 years? Will Singapore be more like Europe, or will Europe perhaps be more like Singapore?

[Goh Chok Tong] The world is at a turning point. I believe that Europe and Asia can learn from each other in this situation. As far as the economy is concerned, I think that Europe can learn something from Asia, for example, regarding the importance of saving, working in networks, and long-term investments.

When it comes to politics, I think Asia can learn something from Europe, although we should avoid European dead ends. Of course, it is not a matter of copying, but rather of adapting solutions according to your own country.

[Hakelius] What do you mean when you speak of European dead ends?

[Goh Chok Tong] Excessive individualism: In the United States and Europe the individual is king. Duty to the rest of society is forgotten. The growing middle class in Asia needs more freedom, better opportunities to find expression for its creativity. But we must emphasize that freedom also involves responsibility, not simply say "freedom is yours."

[Hakelius] Europe has the EU, and the Asian countries ASEAN. Many people fear that these trade blocs,

and the American one, instead of cooperating will turn toward themselves, leading to the beginning of protectionism. How do you see future relations between ASEAN and the EU?

[Goh Chok Tong] I would like to see these trade blocs as foundations for global free trade. It should not stop with free trade within these various blocs, but rather the EU and ASEAN should link their free-trade areas together. Then we would have open regionalism, not closed regionalism.

[Hakelius] Is it difficult to convince the EU of this?

[Goh Chok Tong] My experience is that the EU needs a good deal of persuasion for the idea to take root. However, in the Asian group, global free trade is the common goal. But in order for this objective to be realized, good will is of course required on behalf of both partners.

#### Singapore: Lee Kuan Yew Sets Conditions for Rejoining Malaysia

*BK1006112496 Singapore THE STRAITS TIMES  
in English 8 Jun 96 p 28*

[Report by Wang Hui Ling, Walter Fernandez, Chua Lee Hoong, and Leong Ching Ching]

[FBIS Transcribed Text] Senior Minister Lee Kuan Yew last night spelled out the conditions under which Singapore might rejoin the Federation of Malaysia.

These were: if Malaysia adopted the same policy of meritocracy as Singapore did, without any race being in a privileged position; and if Malaysia pursued, as successfully, the same goals as Singapore, to bring maximum economic benefit to its people.

Replying to a question on whether he could foresee it happening, he said:

"Assuming that whatever we do, the Malaysians do as well, which I would prefer, because that means that we are in the same kind of race, which will reduce racial tension, which will bring people together. If they go the whole road with us ... then I say, we rejoin them, because this is what we fought for."

"It will take some time, but the road we are going, pursuing maximum economic benefit, if we assume it to its logical conclusion, which I hope will be the case, it means that the difference between Singapore and Malaysia will narrow."

"It will be difficult to achieve for a very long time, but I hope it will happen."

He noted that already a "reverse flow of talent" was taking place. Malaysians who left their country in earlier

years were returning, and he had seen this happening for instance among those in Singapore.

"They had superior jobs here, they go back to superior jobs there, with MNCs [multinational corporations]," he said.

Indeed, Singaporeans were also moving north. He cited the case of a Singaporean who was a managing director of an MNC in Penang [Malaysia], whom he met in 1990.

"They move there, and they climb up faster" he noted. He added that this was a worrying trend as it meant Singapore would lose much talent.

As to whether Singapore was likely to become part of the Riau archipelago, he said that this was unlikely as conditions there were too different.

"The magnet is stronger up north than down south," he said.

However, if there was a "completely different kind of Indonesia," one that turned nationalist, and wanted to restore its ancient glory, it would be "a totally different proposition altogether," he said.

"Then we would again be thrown together with Malaysia, to prevent history from being reversed. Because you cannot take Singapore alone without becoming quite a problem for Malaysia. So you have to take a part of Malaysia."

#### Singapore: Lee Kuan Yew on Absence of 'Serious' Opposition

BK1106024096 Singapore THE STRAITS TIMES  
in English 8 Jun 96 p 28

[Report by Wang Hui Ling, Walter Fernandez, Chua Lee Hoong, and Leong Ching Ching]

[FBIS Transcribed Text] There will never be a serious political opposition in Singapore because serious men would not want to enter politics, Senior Minister Lee Kuan Yew said last night.

While it was not the job of the government to create an opposition, he noted that it was usually in the nature of things that an opposition eventually turned up.

"But in the nature of Singapore, a good opposition has not turned up because good men in Singapore do not go into politics," he said.

He was replying to a question after his dinner speech to the Singapore Press Club and the Foreign Correspondents' Association.

He recounted how politics in the early days was a dangerous profession. "In the 1940s, '50s, and '60s, if

you took a line against the communists, you would be killed ... they would settle with you sooner or later."

To illustrate, he told of how a college mate of his had turned down a promotion to become an inspector of schools because he was afraid of having to deal with the Chinese schools, which were at the time controlled by the communists.

"So it's only reckless people like me, S. Rajaratnam, Goh Keng Swee, and a few others decided that we would run with the communists and then fight them. Of course, this was a dangerous thing to do. Just how dangerous, we did not then know. I would not repeat the exercise," he said.

In his answer, he also emphasized how Singapore was a tough place and misjudgment would spell disaster for the country, unlike say, in Australia or New Zealand.

"They make a mess and someone else comes in, and after a while they will succeed," he said. But Singapore on the other hand, did not have the luxury of size or resources, yet the value of its land had risen many times in the last 30 years.

"This did not happen by accident but rather through long years on the job, learning and not repeating the same mistakes. This was what brought the results."

"If you can persuade the young ministers to stay, learn, and improve, they will become very sharp shooters. There is danger when you start changing teams."

Touching on the concept of a two-party political system which he said he had not seen work well, he explained that for a parliamentary democracy like Singapore's to work, there was a need for a phlegmatic temperament.

"That, having lost, you accept the right of the majority to govern for five years and you wait your turn ... whereas the Latin temperament does not allow that. From the moment they lose, they start fighting to bring you down."

He also cited Bosnia to illustrate why he did not see the world becoming democratic. "Can you imagine the Bosnians ever living in peace for the next few thousand years? You believe that, if the Bosnians vote freely in an election, they will vote for a government that will kill each other? ... There are situations where these things do not work. We don't have that culture."

**Singapore's Lee Kuan Yew: Burma's Suu Kyi 'Better Off' as Symbol**

**BK1106071796 Singapore THE SUNDAY TIMES  
in English 9 Jun 96 p 20**

[Report by Chua Mui Hoong, Wang Hui Ling and Leong Ching Ching]

[FBIS Transcribed Text] Myanmar's [Burma] opposition party leader Aung San Suu Kyi may be better off being a symbol, rather than emerging from house arrest and being found impotent.

Senior Minister Lee Kuan Yew said that if he were her he would have opted to remain "behind the fence" as, having visited Myanmar, he knew that there was only one instrument of government — the army.

"The civil service, in the sense that we have it in Singapore, it does not exist," he said.

If a minister there wanted something done, it was the army which carried out his wishes, he said.

"The general calls up his brigadier and says: Get the unit moved there, clean that road. And they called the troops up, and the whole quarters moved. And the next time you go there, all the roads were cleaned up. Who cleaned up? The army did," he said.

"In that situation, if I were Aung San Suu Kyi, I think I will rather be behind the fence and be a symbol than after two or three years out, without a machine, be discovered and found impotent.

"You've got to create an instrument of government. And there isn't one."

He was replying to a question from a reporter from THE HINDU newspaper in India who asked if he was happy about what was happening in Myanmar and what Singapore and ASEAN could do about it.

Mr. Lee said that Singapore has had representations from Australia, Britain and the US to squeeze Myanmar and not to invest in the country.

"Can we squeeze them? I suppose we can abstain. Will they be better off? I don't think so. I don't know how this is going to be resolved. I put this to an American who is now out of Congress, Steve Solarz, who used to be in charge of Asian affairs in the House.

"I said: Steve, if you are prepared to say that we will squeeze that government until it topples, then you and the Americans will go ahead and hold that country in one piece, not have it broken up to five, six pieces, and restore it, then I will go along with you.

"But you just can't squeeze that country and then collapse it like Bosnia. When it breaks up, please don't walk away from it. Any takers?" he asked.

### Cambodia

**Cambodia: King To Return 'in the Near Future'**

**BK0806155996 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 8 Jun 96**

[FBIS Translated Text] On 8 June, His Majesty King Norodom Sihanouk Varaman, king of the Kingdom of Cambodia, sent a message to his children, grandchildren, and great-grandchildren, as well as to his compatriots. The message states:

Greetings to the revered two supreme patriarchs and all levels of clergy and to the most profoundly loved compatriots, children, grandchildren, and great-grandchildren:

I have the honor to provide the following information:

Four days after conducting scientific tests and analyses on my bone marrow, the doctors at Beijing Hospital concluded that the cancer will not reoccur.

I would like to inform the revered two supreme patriarchs and all levels of the clergy, compatriots, children, grandchildren, and great-grandchildren that I will be able to return to the motherland in the near future so as to meet and continue serving your venerable, all compatriots, children, grandchildren, and great-grandchildren.

Please accept my most sincere greetings and loyalty. May you enjoy the five Buddhist blessings: longevity, social prestige, happiness, strength, and enlightenment.

### Cambodia: Interior Minister Cannot Confirm Pol Pot's Death

**BK1106060696 Hong Kong AFP in English 0559 GMT 11 Jun 96**

[FBIS Transcribed Text] PHNOM PENH, June 11 (AFP) — Cambodia's co-Minister of Interior Sar Kheng said Tuesday that his operatives have not yet been able to confirm whether Khmer Rouge guerrilla leader Pol Pot has died as was reported last week.

"Some press reports said he has died, some say he hasn't and is just seriously ill," Sar Kheng told reporters. "But so far there has been no eyewitness to say whether he really died or not."

"Nobody has seen him and the Ministry of Interior does not have intelligence forces living with Pol Pot, following him and spying on him all the time."

Officials in Phnom Penh and elsewhere have been unable to confirm or deny a report last week which quoted a Khmer Rouge commander on the Thai-Cambodian border as saying Pol Pot had died of malaria.

That information closely followed news that Cambodian intelligence reports indicated that the 68-year-old rebel leader was deadly ill and might have already died.

Sar Kheng said the mystery surrounding the reports of Pol Pot's death was not unusual as mystery had also shrouded his life immediately before and during the Khmer Rouge's 1975 to 1979 reign of terror in Cambodia.

"Before 1975 and from 1975 to 1979, nobody knew exactly where Pol Pot hid himself, even in Phnom Penh nobody knew where he lived because it was a big secret," he said.

"And in 1975, no one knew that Pol Pot was a powerful man in the Khmer Rouge not even his brother and sister."

Sar Kheng, echoing comments made by co-Premier Hun Sen on Monday, said he thought the report of Pol Pot's death might be an attempt to lure Phnom Penh back to the negotiation table with the rebels who are held responsible for the deaths of at least two million Cambodians while they were in power.

"This news could be just a game," he said. "It could be just a made-up game for the return of the genocidal Pol Pot regime to Cambodia. It could be just like the secrets of Pol Pot before 1975."

"But we have to investigate so we can have the official word and clarify the situation."

The rebels' official voice — clandestine Khmer Rouge radio — has made no mention of any unusual occurrence since Thursday, but analysts have said that is not surprising since Pol Pot "retired" from the group's highly secretive leadership in 1985.

In the absence of confirmation from the leadership, any government or intelligence service, speculation over whether Pol Pot is alive or dead has reached fever pitch in the capital.

**Cambodia: Deputy Premier: Pol Pot Death Reports 'Political Game'**

**LD1106091996 Melbourne Radio Australia  
in English 0800 GMT 11 June 96**

[FBIS Transcribed Text] Cambodia's second prime minister, Hun Sen, says reports that Khmer Rouge leader Pol Pot is dead cannot be confirmed and are part of a political game. He said the game was aimed at

bringing the government back to the negotiating table with the guerrillas.

Speaking to members of his party and village people in eastern Kampong Cham Province, Hun Sen said the government could not confirm whether Pol Pot was dead but it was certain he has malaria. He warned that the Khmer Rouge will continue as a fighting force even after Pol Pot has gone and warned his listeners not raise their hopes that his death would end the guerrilla war.

**Cambodia: Paper: Khmer Rouge Plans To Seize Three Districts**

**BK1006023696 Phnom Penh REAKSMEI  
KAMPUCHEA in Cambodian 9 Jun 96 p 11**

[Report by Peyatro]

[FBIS Translated Text] Police sources in Kompong Thom Province say that Khmer Rouge Divisions 785, 679, 980, and 417 have dispatched between 330 and 440 soldiers in an attempt to seize Prasat Balang, Stoung, and Kompong Svay Districts between Route 6 and Route 64.

The sources also revealed that Khmer Rouge forces are being deployed to attack Route 64 (formerly Route 12) in order to cut links between Kompong Thom and Preah Vihear Provinces. The forces are split into small groups of between 15 and 20 men, who then lay mines and create obstacles by felling large trees across roads to hinder traffic and facilitate ambushes and attacks.

It should be recalled that in the 1995 dry season the Khmer Royal Armed Forces, in cooperation with troops and police of Kompong Thom and Preah Vihear Provinces, launched a military campaign to reopen Route 64 after the road had been cut off for many years before the election. In that campaign, government troops suffered heavy losses due to the Khmer Rouge's booby traps; some troops were ambushed by Khmer Rouge forces hiding near villages when they were busy demining.

The reports also say that in Balang, Pongro, Krava, Baray, and Treal communes in Baray District of Kompong Thom Province, a certain group, whose affiliation is not known, is urging people to prepare for a major battle that could erupt in the future. Police are taking measures to arrest this group who is spreading confusion among the people. The police want the group judged for causing unrest that affects security.

An intelligence police official in Kompong Thom Province says that 40 Khmer Rouge secret agents operating in Balang and Baray District were recently uncovered; seven AK rifles were seized.

**Cambodia: Khmer Rouge Directive on Rainy Season Plans**

**BK1106045696 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 7 Jun 96**

[Directive issued by the Supreme Command of the National Army of Democratic Kampuchea [NADK] on 7 June; place not given]

[FBIS Translated Text] Part I: Concerning the targets and plans for the 18th rainy season of 1996 formulated on the basis of democratic factors, the three basic causes [ang], and the all-around lines.

I. First, the NADK Supreme Command would like to express its most profound respect to the nation and people in the countryside, in Phnom Penh, and abroad and to all national resistance forces that have been fighting in the past and at present under every form against the war of communist Vietnam, its puppets, the alliance, and the two heads in order to bring a speedy end to the war and achieve genuine national reconciliation and peace in Cambodia.

II. On this occasion, the NADK Supreme Command would like to instruct the NADK — including the commanders and comrades in arms in all units in all localities and on all battlefields — to strive to implement the 18th rainy season plans even more vigorously and enthusiastically and to launch continuous attacks to end communist Vietnam's war quickly and achieve genuine national reconciliation and peace in Cambodia.

The NADK Supreme Command's communique on the outcome of the 18th dry season of 1995-96 was issued on 8 May 1996, or the seventh day of the waning moon, the month of Pisak, year 2539 of the Buddhist Era. This directive of the NADK Supreme Command on implementing the targets and plans of the 18th rainy season of 1996 is issued on 7 June 1996, or the seventh day of the waning moon, the month of Jeh, year 2539 of the Buddhist Era — that is, as the rainy season is in full swing.

The 18th dry season campaign of 1995-1996 that the old and new enemies claimed to be their biggest ever and decisive campaign was declared a complete failure by these same enemies — including Tie Banh and Hun Sen. It officially ended on 20 April 1996. Over a month and a half has elapsed since 20 April 1996. What have we done during this period of more than a month and a half? We have done the following:

I. On the one hand, we have continued to attack, mop up, and wipe out enemy remnants on some fronts and in some areas and battlefields, especially western Battambang.

2. On the other hand, we collected and summed up quite a lot of experiences during the 18th dry season of 1995-1996, enough to enable us to grasp fully the first basic cause and also examine and analyze the second basic cause. This has enabled us to hold large and small study and indoctrination meetings in our democratic way and set all-around targets and plans for the 18th rainy season of 1996, especially in important sectors that play a fundamental and key role.

The NADK Supreme Command would like to stress to the main leading cadres, leading committees, and all our armed forces and people — especially all poor people and peasants — that the targets and plans of the 18th rainy season of 1996 that we recently set are targets and plans formulated in accordance with three factors, including the democratic factor of repeated study and indoctrination sessions held by hundreds of cadres and thousands of combatants during the last month and a half.

Part II: Accelerate the implementation of the 18th rainy season directive in a more militant and vigorous manner; from an offensive position; and with a high sense of responsibility for self, family, people, nation, and race in order to achieve maximum success.

It is imperative to strive to accelerate the implementation of the 18th rainy season targets and plans in a more militantly active and vigorous manner; from an offensive position; and with a high sense of responsibility for self, family, people, nation, and race in order to achieve maximum success.

The 18th rainy season targets and plans have been worked out and formulated democratically through meetings, constructive study sessions, and large and small forums held over the past month and a half by hundreds of cadres and thousands of combatants. Consideration was accorded to the concrete situation as the first basic cause and to mature reflection and analysis as the second basic cause before measures, targets, and plans for the 18th rainy season of 1996 were formulated. Therefore, the most important thing is to implement the 18th rainy season targets and plans so that maximum outcome and success can be achieved. This means it is imperative to mobilize the moral, physical, and intellectual strength of the leading cadres, leading committees, the entire armed forces, the entire people, and especially the poor peasants into implementing the 18th rainy season targets and plans for maximum success from day to day, from every 10-day period to the next, and from every month to the next until the end of the 18th rainy season of 1996. In terms of months, this will mean five months — from June to October 1996. In terms of days, this will mean

150 days. So it is imperative to launch an offensive to implement the targets and plans during these 150 days in a militarily active manner and with a high sense of responsibility to achieve maximum success.

Therefore, the most important thing is to implement the 18th rainy season targets and plans so that the maximum outcome and success can be achieved. This means that it is imperative to mobilize the moral, physical, and intellectual strength of the leading figures, leading committees, the entire armed forces, all of the people, and especially all of the poor peasants, into implementing the 18th rainy season targets and plans for maximum success from day to day, from every 10-day-period to the next, and from every month to the next, until the end of this 18th rainy season of 1996. In terms of months, this is the five months from June to October 1996. In terms of days, this is 150 days. It is imperative to launch an offensive to implement the targets and plans during these 150 days in a militarily active manner and with a great sense of responsibility in order to achieve maximum success.

Here is a question: How can the targets and plans of this 18th rainy season of 1996 be implemented?

The answer is as follows:

1. The targets and plans of the 18th rainy season of 1996 have all been formulated and set and the important, fundamental, and key tasks have all been recalled. The targets and plans of the 18th rainy season have also been disseminated, studied, and indoctrinated. The question is this: Within the next 150 days, how will each leading cadre, each leading committee, the entire armed forces, and our people, especially our poor peasants, continue to further study these 18th rainy season plans and indoctrinate them at intervals everywhere so that they can be further disseminated and fully and correctly implemented.

They are not difficult to understand, grasp, memorize, and implement at all because, on the one hand, these 18th rainy season plans stemmed from all kinds of experiences that were gained during the past 18th dry season and were carried out personally by each of us. On the other hand, we summed up and collected all sorts of experiences during the 18th dry season of 1996 and have set the targets and plans for the 18th rainy season of 1996 based on the following three factors: democracy, the triple basic causes, and mature reflection along the adopted lines. Therefore, henceforth from one day to the next we will implement the plans of the 18th rainy season of 1996 in line with the objectives and substances that have already been defined scientifically and set to aim like the needle of a compass.

2. The NADK Supreme Command would like to clearly stress that the targets and plans of the 18th rainy season of 1996 have two important aspects.

First, these are the targets and plans of the 18th rainy season of 1996 for the whole country.

Second, they are concrete and detailed targets and plans with drawings, maps, figures, and specific statistics for each locality, each battlefield, each front, and each spearhead.

Leading cadres, leading committees, liaison officers, and all levels of cadres, together with many combatants have studied, indoctrinated, and grasped the targets and plans of the 18th rainy season of 1996 for use in their respective areas. Therefore, each spearhead, each front, each battlefield, and each locality must strive to grasp and implement the targets and plans of the 18th rainy season of 1996 within their sphere of responsibility for maximum success. They must strive again and again, persistently every day, every 10 days, and every month, until success is achieved.

Part III: What substances of the 18th rainy season targets and plans should be grasped so that the latter can be implemented correctly, accurately, successfully, and quickly?

To this question, leading cadres, leading committees, liaison officers, and all levels of cadres must constantly grasp this question and regularly give it a correct answer.

1. The above question and answer are clearly expressed in the 18th rainy season targets and plans set for each locality and each battlefield. If we continue to study them, get acquainted with them, indoctrinate ourselves in them, and implement them, we will become ceaselessly more creative, effective, proficient, and successful in these targets and plans.

2. It is imperative to recall and underline the fundamental and key quality that we must always remember, memorize, never forget, and never overlook: Tasks must be tightly grasped so they can be absolutely realized, and forces must be effectively and firmly controlled so that the tasks can be carried out with maximum success.

What are the tasks for the 18th rainy season, which is in 1996?

The answer has already been given: there are 18th rainy season targets and plans for implementation by all nationwide; and more detailed 18th rainy season targets and plans for implementation in each locality, battlefield, front, and spearhead illustrated with specific maps, figures, and statistics.

Here, we would like to bring to mind again that to realize these targets and plans we must constantly give the highest attention to strengthening and expanding our forces. As a matter of fact:

1. Leading cadres must be aware that they are the most important and responsible cadres, that they are the ones who understand the targets and plans better than anyone else, who grasp the all-around lines better than anyone else, and whose views and stance are more correct than anyone else's. Therefore, more so than anyone, they must constantly build their own inner thoughts and beliefs and keep them correct and pure at all times.

2. Leading cadres and the leading committees of each unit must firmly understand their subordinate cadres and their problems. This means that they must strive to constantly build and perfect both old and new cadres on the all-around lines. Leading cadres must help them to improve constantly, and continue to consolidate and cull them so that the ranks will continue to strengthen and be more militant, and consolidate and develop in scope.

3. The leading cadres and leading committees must: firmly grasp the first-twin [phluoh ti muoy] task of constantly indoctrinating cadres; test them in their front-line as well as rear-line duties; and make them implement plans correctly, implement the all-around lines correctly, and advance step-by-step toward becoming the pillars in all small and large battlefields, localities, fronts, and spearheads with regard to all undertakings, whether political, military, economic, employment, or technical.

Our cadres and rank and file are numerous. The overwhelming majority of them are very good. An important number of them are good, correct, and militantly active. Some units have left this force idle and buried thus far. We must see to it that this task of building and improving cadres is revived and carried out as correctly as possible.

4. It is imperative to conduct in a correct, well-planned, and systematic manner the second-twin [phluoh ti pi] task of political and organizational consolidation inside each locality and on each battlefield, especially according to the plans of the 18th rainy season of 1996.

There are many people, especially poor peasants, in each locality and on each battlefield. On average, each locality and battlefield lists from 400,000 to 500,000 people. Of these 400,000 to 500,000 people, on average 80 to 90 percent are good people, and more than 60 percent are poor peasants. Of this 60 percent-plus who are poor people, at least 40 to 50 percent are made up of poor people who nurture a constant life-or-death, deep-rooted hatred of the enemy. Therefore, the second-

twin task is of fundamental and strategic importance. These people are experiencing life-and-death grief and misery everyday in each locality and on each battlefield because the old and new enemies are persecuting and mistreating them in all aspects of life, plundering them, robbing them, raping them, and conscripting them as soldiers and militiamen to die cheaply in their war of aggression and genocide. These people are waiting and waiting for the first-twin cadres to visit them, work with them, share weal and woe with them, and share strength with them to become an invincible force against the old and new enemies in the process toward quickly terminating communist Vietnam's war of aggression and quickly achieving genuine national reconciliation and peace, which constitutes their sacred wishes.

The first-twin cadres must go to them. They must absolutely go to them in order to build with them a colossal force for implementing and realizing the tasks under the targets and plans for each locality.

5. We must realize that 50 to 60 percent of the localities and battlefields in the rural areas throughout the country are not defended by a corps of enemy troops. The enemy is riddled with holes. He has only public or secret civil authorities and a dozen militiamen and policemen in each locality. This point must be firmly grasped, and we must use the first-twin and second-twin cadres to smash and wipe out all the village and commune authorities of the communist Vietnamese enemy so that we can expand the perimeters of our liberated villages and communes, as well as the old and new villages and communes of our people, and continue to strengthen and expand them incessantly. Only after we have old and new liberated zones and old and new liberated localities can our people have land, water, forests, lakes, and ponds with which to do business for their livelihood; can we have the strength to continue attacking the communist Vietnamese enemy aggressors and race-exterminators; and can we have enough forces to defend, strengthen, and expand our liberated villages, communes, and zones, preventing the old and new enemies from press ganging, persecuting, and torturing our people in an unspeakable manner as in the past and preventing the old and new enemies from forcing our people, especially our poor peasants, to enlist as soldiers and militiamen to be sent to fight and die in their place again.

Concerning the so-called pacification agents, spies, seven-type interminglers, old and new 10-point elements, rotten flesh, and bloated flesh, on the one hand, we must educate the people against them, preventing them from penetrating the ranks of the people either ideologically, politically, organizationally, or in terms of activities. On the other hand, and most importantly,

since the first-twin and second-twin cadres are becoming increasingly important both in number and quality, and the liberated villages, communes, and zones are growing and expanding steadily, these rotten flesh, bloated flesh, pacification agents, spying moles, seven-type interminglers, and old and new 10-point elements are consequently collapsing and being automatically destroyed one after another, chunk by chunk, front by front, battlefield by battlefield, and locality by locality.

**Part IV:** Recall the principles guiding a number of important tasks so they can be strictly implemented and will never be forgotten.

They are called principles but in reality, they are lines that must be constantly indoctrinated, inculcated, and instilled so that they can always be correctly and successfully implemented.

The first principle is the ethics that concern those who love the nation and people and especially the patriotic NADK, which has been engaged in decades of struggle against the genocidal enemy and has inflicted on him one setback after another. These nation- and people-loving ethics must be constantly and firmly memorized, indoctrinated, inculcated, and imbued so that each will become a model of this patriotic morality, especially concerning the leading cadres, leading committees, liaison officers, and all levels of cadres.

These nation- and people-loving ethics are based on a single view, stance, and line. Only when it is good, when it is perfect, can it be a model, can it win over the masses, and can the masses respect, love, and have faith in it and thereby produce great strength. We who love the nation and the people must never deviate from these ethics.

The second principle calls for correctly and thoroughly observing democracy within the ranks and among the people. Democracy mixes together the leading cadres, leading committees, liaison officers, all levels of cadres, combatants, and the people, especially those who can be recruited as second-twin people.

It should be realized that democracy is the masses. It constitutes the strength, the arms, the legs, the eyes, the ears, the noses, the mouths, and the brains of the dozens, the hundreds, the thousands, and the tens of thousands in each unit, each spearhead, each front, each battlefield, and each locality. Democracy fulfills the three basic causes extremely well. Democracy must be observed before a task is undertaken, when it is being undertaken, and after it has been undertaken.

In sum:

1. Democracy! Democracy! Democracy!

2. Adhere to the lines, the lines, and the lines in all fields and sectors.

Democracy plus lines makes an extremely powerful union.

The third principle is the Light, Secret, Mobile, and Lively Principle. This principle should not be recited by rote. It is a line meant to be both defensive and offensive. This principle springs out of our conflict with the enemy. There can be no peace with the enemy, not even for one second. He seeks to attack us without ceasing through all kinds of military, political, economic, social, and cultural warfare, through literature and arts, vices, psychology, over the radio waves, through pacification, the use of rotten flesh and bloated flesh, moles, espionage, and so on, to attack us day and night, openly and covertly, from the front and from the back, from all around us, within our inner circles, and so on. So, this Light, Secret, Mobile, and Lively Principle must be correctly implemented, on the one hand, in order to prevent the enemy from attacking us, whether openly or secretly or through any means and method and, on the other, in order to effectively strike back at the enemy by adopting this Light, Secret, Mobile, and Lively line. We must never be mistakenly proud, complacent, or self-opinionated.

Strategically, the enemy has suffered an extremely serious defeat in the military, political, economic and other domains. For the time being, however, he is making a last-ditched effort both openly and secretly using all types of warfare, especially secret warfare. Provided, however, that we implement the Light, Secret, Mobile, and Lively Principle while maintaining a deep sense of vigilance, the enemy will not be able to hit us, whereas we will be able to hit and defeat him.

The fourth principle is the Disintegrate and Integrate, Integrate and Disintegrate Principle. We must implement this principle in our distribution of forces to each locality, battlefield, front, and spearhead. This Disintegrate and Integrate, Integrate and Disintegrate Principle must be implemented in a creative manner. Why? It is in order to make it possible for us to constantly conduct our guerrilla activities and guerrilla attacks in each area. We must never let ourselves be checkmated, however. We must not be checkmated at all normal times, and we must not be checkmated especially when the enemy is hollow and weak, particularly during the 18th rainy season of 1996 when we must implement this Disintegrate and Integrate, Integrate and Disintegrate Principle in a most creative manner.

During the 18th rainy season of 1996, the enemy is extremely weak and hollow. On each battlefield and in each district, each province, especially in the

northeastern, northern, western, central, and southern parts of Cambodia, the enemy's integrated forces—be it military regions, divisions, regiments, or the so-called operational zones—suffered thousands of deaths, thousands of injuries, and thousands of desertions during the 18th dry season of 1995-96. The survivors find themselves during this 18th rainy season deprived of foods, hammocks, mats, and blankets; sick with malaria and fever; bereft of pay for the past four or five months; and badgered by wives and children in difficulty to return home.

Moreover, the local people, together with the NADK, are smashing their authorities in the villages and communes, many of which have already been dismantled. So, they cannot conscript new soldiers, or they can conscript only very few of them.

As for the appearance of the two-headed chieftains, they have staged shows to feign handshakes, but internally they are quarreling with one another even more seriously. Of particular note is the fact that the communist Vietnamese puppet soldiers and the para [non-communist resistance fighters] soldiers of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] are engaged in constant battles with one another. It is to be noted that communist Vietnam and its puppets plan to crush and wipe out all para soldiers of FUNCINPEC in 1996 and not to hold the local elections in 1997, and so on.

Consequently, the enemy is extremely thin in terms of troops in most of the remote highland rural areas.

In the face of such a situation of the first basic cause, what measures should we take?

We must, on the one hand, implement the Disintegrate and Integrate, Integrate and Disintegrate Principle in the most creative manner on each battlefield, spearhead, front, and locality. Moreover, and most importantly, during this 18th rainy season it is imperative to use integration as the primary link. If we integrate our forces, we will have more integrated forces and more integrated second-twin forces to quickly crush more enemy authorities in the villages and communes, to quickly destroy more roads, and to quickly smash more enemy company and battalion positions. If we also fundamentally implement the integrate part of the principle regarding the remote small- and medium-sized townships, we will have numerous forces to use our strategic weapons, especially the multi-pronged stakes, antipersonnel mines, and antitank mines and to produce them by the tens of thousands in accordance with our specific plans and in specific groups, units, and teams. In using the second-twin forces who know all the innards of the enemy, we will be able to crush and wipe out the

remote small- and medium-sized townships without any restriction.

In summary, the directive of the NADK Supreme Command on implementing and realizing the 18th rainy season targets and plans constitutes a finger pointing to the correct path leading toward an uncomplicated and speedy victory for all of us to follow. Therefore, we all—especially the leading cadres, leading committees, liaison officers, all levels of cadres, and the first-twin and second-twin forces—must:

1. Always firmly grasp the duties presented under the form of the 18th rainy season targets and plans.
2. Grasp and build all forces — from leading cadres to the first-twin and second-twin forces — so as to steadily acquire better and more numerous forces for implementing and realizing these targets and plans with maximum success.

What is all of this for? It is for liberating our villages, communes, and localities and quickly consolidating and expanding each liberated zone under our responsibility. After that, we aim to quickly end communist Vietnam's war of aggression and to quickly achieve genuine national reconciliation and peace in Cambodia.

[signed] The NADK Supreme Command

[dated] 8 June 1996

## Indonesia

### Indonesia: Military Source Says East Timor 'Secure' After Riots

*BK1106050296 Hong Kong AFP in English  
0458 GMT 11 Jun 96*

[FBIS Transcribed Text] JAKARTA, June 11 (AFP) — Hundreds of youths rioted in an East Timor town for the second day Tuesday, but the Indonesian military denied church claims that two people had been killed.

A church source and a regional government official said there were two dead and at least three injured. But East Timor military commander Colonel Mahidin Simbolon denied there were any fatalities. Simbolon told AFP two military members had been "stabbed" by youths since Monday.

The unrest in Bacau, 115 kilometres (70 miles) east of the disputed former Portuguese colony's capital, Dili, erupted after graffiti was painted on a statue of a Virgin Mary in a nearby village, sources said.

"Hundreds of youths have been on the streets since yesterday. It's like Palestine here. The situation is still

bad now, and may get worse later on," a Baucau church source told AFP by phone.

The source said two people, possibly from the military, had been killed and at least three local residents are suffering from gunshot wounds.

The toll was confirmed by an official from the regional government in Baucau.

The graffiti was found on a Virgin Mary statue in Bagilia, a village south of Baucau. Roman Catholic youths burned the local mosque Monday and the riots then spread to the streets of Baucau, the church source said.

Hundreds of security forces, including a special "mobile brigade", have been on the streets since Monday trying to contain the unrest, another church source said.

However the military commander in Dili denied the riots were incited by religious motives. Simbolon said it was "just youths fighting and rioting," adding that the situation Baucau on Tuesday was "secure."

"No mosque was burned, there was no desecration on the Virgin Mary statue," Simbolon said.

Baucau was rocked by two days of disturbances in April when hundreds of youths rioted after the alleged killing of a youth by the security forces. No injuries were reported.

Indonesia invaded East Timor in 1975 and annexed the territory a year later in a move which remains unrecognized by the United Nations. Few countries recognise Indonesia's claim to East Timor.

While Indonesia is the world's largest Moslem-populated country, almost 90 percent of East Timor's population of 800,000 are Roman Catholics.

In September last year, there were riots in several East Timor towns, including Dili, with youths protesting over alleged slurs against Roman Catholicism by a Moslem official.

#### **Indonesia: 'Consistency' in Latest Deregulation Package Viewed**

*BK0706132496 Jakarta THE JAKARTA POST  
in English 5 Jun 96 p 4*

[Editorial: "More Deregulation"]

[FBIS Transcribed Text] In what has become a custom at this time of year, the government announced yesterday another package of economic deregulation measures. The timing ahead of the meeting of the Consultative Group on Indonesia in Paris later this month, may leave the impression that the measures are intended

to sweeten the nation's creditors preparing to gather in the French capital. Judging by its content however, the package reflects a consistency in the government's goal of making the economy more competitive, the very objective of the series of economic reforms that was started in the mid-1980s. And as with previous packages, there is something for everyone in yesterday's measures, from importers, manufacturers and exporters to local and foreign investors.

The package injected an element of certainty by setting schedules for when the various tariff cuts that have been promised will be implemented. This is a significant improvement over the May 1995 package, which only set deadlines of cutting tariffs to a range of between 5 and 10 percent. The schedule in essence makes longer-term business planning much easier.

The package sets out a ruling on how the government intends to meet the threat of increased dumping practices, a common side effect of import liberalization measures. A new anti-dumping committee will make all the decisions concerning when to impose such tariffs, hopefully in a transparent way and based on objective criteria. There is a valid argument that our manufacturers must be shielded from unfair trading practices from abroad but we hope this will not be abused by local companies which wield strong political clout. The anti-dumping committee must be allowed to work independently and objectively.

In the export sector, the government did away with export declaration forms for exports worth up to Rp [rupiah] 100 million, the limit was previously Rp 10 million, and also eliminated the need for a surveyor's inspection. The new measures also greatly simplified the procedures for obtaining certificates of origin and established a third agency to issue such documents. In addition, selected exporters who meet the various criteria would be entitled to a whole range of special facilities in tax, customs and banking services.

There is also a whole range of measures designed to make the local investment atmosphere more appealing. These range from the elimination of many kind of permits for companies who operate in industrial zones to new regulations regarding bonded zones and allowing foreign joint ventures to import complementary products and sell them locally under certain requirements.

Each time the government announces its deregulation packages, there are always those who feel that they do not go far enough and that the government is moving too slowly in reforming the economy. Certainly, the export slowdown and import surge we saw last year are strong reasons to encourage Indonesia to move fast to remain competitive. But on the other hand there is

also the lingering fear that moving too fast could lead to an overheating economy. Whichever of these analyses is true, what is certain is that yesterday's package will not be the last.

The deregulation package may not be as sweeping and comprehensive as many would have expected, especially given the barrage of statements and media publicity in the run up to its announcement. But it is not necessarily a token gesture either.

In the final analysis, these deregulatory measures are only as good as how those who stand to benefit take advantage of them, and how those who administer them implement the regulations.

#### **Indonesia: Dailies View Significance of Deregulation Package**

**BK1106055796**

[FBIS Report] Three Indonesian-language dailies carry editorials discussing the new economic deregulation package issued by the Indonesian Government on 4 June.

Jakarta KOMPAS on 6 June carries a 500-word editorial on page 4 entitled: "An Acceleration of Indonesia's Commitment."

KOMPAS believes that the latest deregulation package is centered on a reduction of import duties and simplification of export and import procedures. This will hopefully enhance the country's economic competitive edge. Continuing, KOMPAS notes that the new package covers a wider scope, especially in banking services which will be expanded to countries in Africa, Eastern Europe, and Latin America. At present, such banking services are limited to certain countries in Asia, Western Europe, and the United States.

KOMPAS notes that: "As an agricultural country, we are aware that we must boost the competitiveness of our agricultural products, and we must bear in mind the fate of millions of Indonesian farmers when we formulate any deregulation policy in the agricultural sector."

KOMPAS concludes by stressing that "we should certainly be careful not to enact a deregulation policy which allows foreign investors to import goods from their own country as it will reduce our competitive edge."

Jakarta MEDIA INDONESIA on 6 June carries a 500-word editorial on page 2 entitled: "The Transparent Nature of the Latest Deregulation Policy."

MEDIA INDONESIA describes the latest deregulation package as a strategic move because it shows Indonesia's commitment to several international agreements like AFTA (ASEAN Free Trade Area), APEC,

and WTO, as well as improves the country's business climate with its transparent nature. The daily says: "We have been waiting for this transparent deregulation package for a long time."

However, in its conclusion, MEDIA INDONESIA also stresses the need to "exert more serious efforts in improving the mentality of bureaucrats because no matter how excellent the deregulation package is, it will never produce the desired results as long as the state's personnel do not give their cooperation to implement it."

Jakarta ANGKATAN BERSENJATA on 6 June carries a 400-word editorial on page 4, entitled: "New Economic Deregulation Policy".

ANGKATAN BERSENJATA says the 4 June deregulation policy, which is a follow-up to an earlier one issued on 26 January, is primarily aimed at boosting the country's competitive edge in the international trade arena, but it must not be interpreted as an effort to adjust Indonesia's position with the WTO regulations. The government is aware that each country is required to adjust to the new economic order in the current era of globalization. The daily notes: "The enactment of the economic deregulation policy is a necessity because it is one of the most effective ways to enable us to stay ahead in the increasingly complex global situation."

Continuing, the daily also calls for the government to adopt a cautious stand and safeguard national interests when it decides to launch any deregulation policy despite potential criticisms from foreign countries.

The daily concludes by saying: "What is important for us to do every time there is a new deregulation policy is not only extend our support, but also make an assessment whether it is possible to achieve the targets cited in such a policy. Otherwise, we will only indulge in fleeting satisfaction while the long-term objectives are far from realization."

#### **Indonesia: Bimantara's Request for Car Policy Review Rejected**

**BK0706124796 Jakarta THE JAKARTA POST in English 6 Jun 96 p 8**

[Unattributed report]

[FBIS Transcribed Text] Jakarta (JP) — The government has turned down the Bimantara Group's request to revise the national car policy, despite Bimantara claiming that it is ready to produce a national car.

In contrast, PT Timor Putra Nasional, the only company that will get import tariff and tax breaks for the next three years under the scheme, has delayed launching

its national car for six months from September to next March because local component producers are not yet ready.

"We'll not revise Presidential Instruction No. 2/1996 on the national car," Minister of Industry and Trade Tunku Ariwibowo said on Tuesday night after a three-hour meeting with senior Bimantara Group officials, including its chairman Bambang Trihatmojo, President Suharto's second son.

The government announced in February that it would grant tax and tariff breaks to Timor Putra, which is controlled by Hutomo Mandala Putra — President Suharto's youngest son — to produce Timor sedans in cooperation with Kia Motors Corp. of South Korea.

Tunku reiterated that for the next three years only Timor Putra would be exempt from the tariff and luxury sales taxes on the imported car components and equipment it will need to produce the first Indonesian car, to be called Timor.

"After three years we may review the regulation and we may consider giving preferences to other national car producers. But for now only Timor Putra is eligible," Tunku said, adding that it is easier for the government to monitor the national car project if only one company is getting the tax breaks.

But when asked by reporters on the local content of his company's cars, Bambang said, "Both already have 17 percent local content."

"We're ready to produce the national car as required by Presidential Instruction No. 2/1996," he concluded.

The new car policy, which also stipulates that the national car producing company is 100 percent owned by Indonesian shareholders, gives Timor Putra three years to develop the Timor car.

The car has to contain local components of 20 percent by the end of the first year, 40 percent by the end of the second year and 60 percent by the end of the third year.

The government said that if the company fails to meet the stipulations, it will be penalized by having to pay the duty and luxury sales taxes.

Asked about Presidential Decree No. 42/1996 on national cars made by Indonesian workers abroad, which has not been officially announced yet, Tunku said, "I'll give my answer about this in due course."

Tunku noted that for the time being, other car producers, including the Bimantara Group, should work with the incentives offered by the deregulatory package of June 1993, which exempts car producers from the import tariffs if their local content exceeds 60 percent.

The Bimantara Group's Chairman Bambang Trihatmojo was accompanied at the meeting by commissioner Peter F. Gontha, and Jongkie D. Sugiarto, the president of PT Bimantara Cakra Nusa — a Bimantara affiliate producing Hyundai cars. He said on Tuesday that his company had presented the government a proposal on the national car.

Saying that there had been no answer until that evening's meeting from the government, he noted that ideally there should be more than one national car producer.

Bambang noted that Bimantara, through the subsidiary Bimantara Cakra Nusa, hopes to start producing sedans, to be called Bimantara, later this year, in cooperation with Hyundai of South Korea.

#### Indonesia: Daily Views Inconsistency of National Car Policy

*BK0706132596 Jakarta THE JAKARTA POST  
in English 7 Jun 96 p 4*

[Editorial: "Timor in South Korea"]

[FBIS Transcribed Text] Trade and Industry Minister Tunku Ariwibowo is to be pitied for his impossible task of explaining the logic and merit of Presidential Decree No.42/1996 allowing PT Timor Putra Nasional to import completely-built-up (CBU) sedans from South Korea's Kia Motor plant. Whatever argument Tunku employs to defend the new ruling, it will be the butt of many a cynical joke.

How can the government, which often boasts of international recognition of its prudent macroeconomic management, treat a sedan made in Asan bay, southwest of Seoul, as a national car simply because it will bear the national brand name "Timor" and some Indonesian labor content? Moreover, South Korea is known to never have allowed foreign laborers to work in its car plants.

The domestic and international uproar caused by Indonesian controversial and discriminative national car program would have been decreased by Government Regulation No.36/1996 of June 4 which indiscriminately grants luxury sales tax breaks of 20 to 35 percent to any sedan, jeep, van, minibus or pickup truck with a local content of over 60 percent. The new deregulation package launched on the same day, would have lent credibility to the official pronouncements that the national car program was, and would remain, the only instance of policy inconsistency.

Both these potential advantages however, may disappear as a result of the latest Presidential Decree authorizing Timor Putra to import 45,000 CBU sedans in one year

without paying the normal 300-percent import duty and the 35-percent luxury sales tax.

The worried prediction of most automotive industry executives and analysts last March has turned out to be true. As soon as PT Timor Putra Nasional's Chairman Hutomo (Tommy) Mandala Putra committed himself to launching his Timor sedans by September, without even having an assembly plant, most domestic car assemblers became worried the national car would be imported from South Korea's Kia Motor plant in CBU form, minus its tires, battery and seat belts.

The new privilege simply reflects the government's determination to push ahead with what it calls the national car program at almost any cost to duty and tax revenues, and the credibility of its policy-making mechanism. The government created dilemma started with its licensing of Timor Putra, a company without any experience in marketing cars in Indonesia. Commercial rationale requires Timor Putra to establish its car in the market before laying out large investments to build an assembling plant. Importing CBU cars is the fastest way to penetrate the market before the three-year window on tax breaks shuts but that move exacts the costs described above.

The success of the scheme depends on the reaction of the Indonesian consumer. The consumer, who has been prodded by the government to buy domestic products in order to curb import growth amid the worrisome rise in the current account deficit, has enough sense to make a sound judgment.

The privileges granted to Timor Putra through so many government regulations in the form of Presidential instruction, Presidential decree and ministerial rulings may damage the company's image and consequently tarnish its national car.

#### **Indonesia: PDI Leader Rejects Request for New Congress**

*BK0706125396 Jakarta THE JAKARTA POST  
in English 5 Jun 96 p 1*

[Unattributed report]

[FBIS Transcribed Text] Jakarta (JP) — Chief of the minority Indonesian Democratic Party (PDI) Megawati Sukarnoputri yesterday refused to bow to mounting pressure from dissenting members to hold a fresh election for party chairman.

"The proposal for a congress was unlawful," Megawati said in a written statement read out to journalists by one of her deputies, Sutarjo Susjoguritno.

Other party executives, who accompanied Sutarjo to the party headquarters on Jl. [jalan — road] Diponegoro, Central Jakarta, showing they support for Megawati, included secretary-general Alexander Litaay and the chief of the research and development department Kwik Kian Gie. Megawati herself was not present during the reading of the statement.

The call for a congress — raised by 16 provincial chapters and 141 branches — did not meet the party's statutes because it was not made by branch and chapter leaders, according to party executive Sulistyo.

A group of activists claiming to represent 21 of the 27 provincial chapters and 215 of PDI's 305 branches requested government permission to hold the congress and election for party chairman.

The Ministry of Home Affairs and high-ranking military officials — including Armed Forces Commander General Feisal Tanjung — gave qualified support for the call, with most of them saving that a congress is permitted "as long as it is in accordance with the party's statutes."

A group of party executives led by Fatimah Akmad, chief of PDI's faction at the House of Representatives and one of Megawati's deputies, moved quickly and yesterday established an organizing committee for the congress.

Fatimah, known to be an ally of former chairman Sutjadi, who was defeated by Megawati in 1993, said her group would hold the congress before the end of the month and that Megawati should defend her leadership then.

Megawati maintained that her leadership is valid, as it complies with the party statutes.

The government had previously stated that it recognized Megawati as the rightful leader of the party.

Megawati won the majority of votes of the party's regional branches in a disputed extraordinary congress in Surabaya, East Java, in December 1993. The result was legalized in a national "deliberation" meeting in January 1994.

The dissenters are scheduled today to meet with Minister of Home Affairs Yogie S. Memet and Armed Forces Chief for Sociopolitics Lieutenant General Syarwa Hamid to report on the planned congress.

Coordinating Minister for Political Affairs and Security Susilo Sudarman said yesterday that the government has clearly given its stance on the matter through the Home Affairs Ministry's Director General of Sociopolitics, Sutoyo N.K.

Satoyo told the press on Monday that the government approved the request for permission to convene a congress, because it was made by the majority of the party's members.

In Surabaya, East Java, at least 200 PDI cadres pledged their loyalty to Megawati and signed their names in blood drawn from their needle-pricked thumbs.

They said they would support and protect Megawati's leadership from any efforts to topple her. "We are ready to secure Megawati's leadership till the last drop of our bloody," said Andy, one of the cadres.

Pesal yesterday pointed out that the party has not been able to carry out its programs due to leadership wrangling.

**Indonesia: Public Discussion of Leadership Succession Urged**

**BK0706124296 Jakarta THE JAKARTA POST  
in English 5 Jun 96 p 2**

[Unattributed report]

[FBIS Transcribed Text] Semarang (JP) — Political observers are making a fresh call for more public discourse on succession in order to better prepare the nation for the time when the transfer of national leadership occurs.

Suharjo, an expert on constitutional law at Diponegoro University, said here yesterday that the public must be conditioned to talk about such a delicate subject. "Otherwise, the issue may prove to become a time bomb," he said without elaborating.

Amien Rais, a political scientist at the Yogyakarta-based Gajah Mada University, agreed. "The sooner we have open discussions about succession, the better," he said. "We shouldn't leave discussions on such an important matter till the last minute."

Suharjo said that President Suharto has recently sent signals on the need to prepare the nation for a succession.

"We should respect his stance in this matter. How do we do that? By making the best preparations for an eventual succession and by preparing candidates," he said.

"Succession (of leadership) is an ordinary thing and should be planned well," he said.

"We have only one interest in the matter and that's to ensure that succession proceeds smoothly, satisfies everybody, and that no unnecessary upheavals take place," Amien said.

In response to someone's request that he run for election in 1998, President Suharto said last week that the most

important thing for him is to complete his term until 1998.

General (retired) Sumitro, a former chief of the defunct internal security agency, interpreted Suharto's statement as a hint that he would not be willing to be nominated for a new term.

"His statement implied that he would like to give a younger person the opportunity to lead this country," Sumitro said. He added however that the President is not always predictable and recalled the 1977 general election when Suharto hinted that he was willing to step down.

Despite academic discussions on whether Suharto would step down, overwhelming support for his reelection continues to pour in. Only last week, over 10,000 Christians in Bali and a Muslim organization affiliated with the ruling Golkar [Functional Group] organization proclaimed support for Suharto's reelection.

The discourse on succession itself rises and ebbs, but has taken on greater openness over time. Amien Rais was the first scholar to bring up the issue of leadership succession in December 1993, only months after the nation reelected Suharto to his sixth consecutive term.

"There is no other option. Presidential succession must occur in 1998," Amien said then.

Suharjo said that Suharto's statement last week was not the first, the President has given the same hint several times. "Political organizations should respond to these signals," he said.

**Indonesia: Dailies View Call for PDI Democratic Party Congress**

**BK1006025896**

[FBIS Report] Two Indonesian-language dailies carry editorials discussing new internal rifts within the Indonesian Democratic Party [PDI] after a group of PDI members went to see Home Affairs officials and called for the convening of a congress aimed at unseating current PDI chairwoman Megawati Sukarnoputri.

Jakarta KOMPAS on 7 June carries a 500-word editorial on page 4 entitled: "In Dealing With the PDI Rift, Nobody Must Resort To Violence." KOMPAS confirms a split in the PDI Central Executive Council. It says one group is headed by Fatimah Akhmad and is calling for the convening of a congress, while the other is led by current chairwoman Megawati and refuses to hold such a congress.

KOMPAS says the congress is likely to be held soon because Home Affairs Department officials and top

military officers have given their support. The upcoming congress has also caused a deep split within the PDI, as seen by the fact that some followers of Megawati in Jakarta and Surabaya have used needles to prick their fingers and used their blood to support their expression of loyalty to Megawati.

KOMPAS, therefore, calls on all PDI members to exercise restraint and not to resort to violence in dealing with the current crisis, saying: "Nobody should incite, encourage, or trigger any incident that leads to violence, clashes, or bloodshed."

KOMPAS concludes by saying: "We want to call on PDI members to adopt a spirit of brotherhood and hope that they will not get carried away by their emotions."

Jakarta MEDIA INDONESIA on 7 June carries a 400-word editorial: "The ABRI [Armed Forces of the Republic of Indonesia] and PDI Congress."

MEDIA INDONESIA says that ABRI's statement, that it is ready to safeguard a PDI congress, should not be seen as something unusual or a sign that something dangerous is imminent. ABRI should not be seen as interfering in PDI's internal affairs, because the ABRI is only taking precautionary measures.

MEDIA INDONESIA says: "ABRI's stand on the PDI congress should be seen in the context that ABRI is a protector of all existing sociopolitical organizations, namely PDI, PPP [United Development Party], and Golkar [Functional Group]."

MEDIA INDONESIA concludes by saying: "ABRI's stand will give special meaning to the interests of PDI, nation, and country. It also shows ABRI's readiness to cope with any problem on the eve of the 1997 general elections."

#### **Indonesia: Minister Requests Unity Amid Party's Internal Rift**

*BK1106101496 Jakarta KOMPAS in English  
11 Jun 96*

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Jakarta, Kompas Online — Minister of Defense and Security Edi Sudrajat urged all parties involved in the PDI [Indonesian Democratic Party] congress conflict to safeguard the peace and unity of the nation. As long as PDI regulations were adhered to, it was up to the rival PDI group whether or not they would hold the congress, the Minister said on Monday (10 June) during a pre-election gathering.

On a separate occasion, senior politician and former chairman of the Catholic Party, Frans Seda, said the PDI congress matter was setting a bad precedent for

the nation. He, however, trusted the prudence of the government and ABRI [Armed Forces of the Republic of Indonesia] to work the issue through.

Meanwhile, PDI Chairman Megawati Soekarnoputri said every social-political organization had a general head. As the chairman of PDI, I say there should be no congress for the time-being, she said.

Megawati said she was pleased to hear the Home Affairs Minister pledge he would investigate the legitimacy of the PDI groups wishing to hold the congress. In the ranks of the investigation, Megawati said she would shortly be meeting with the Home Affairs Minister.

On the other PDI front, secretary of the congress, Ismunandar, said he was confident the PDI congress would be a success. He said investigations into the legitimacy of the break away PDI group would not take long. According to a report made by [PDI official] Kwik Kian Gie, 215 branches were indeed in support of Fatimah Achmad while only 141 supported the base PDI group.

Home Affairs Minister Yogie Memet reiterated that the government supported the PDI congress as long as it fulfilled the PDI regulations. Yogie did not say whether or not the government would provide funding for the congress.

Frans Seda, echoing the sentiments of political analyst Arbi Sanit, said that the PDI problem, in the context of the government, embodies patterns to create stability. But what has become the problem is government involvement (in the problem) which is far more disturbing than the PDI issue itself, he said.

#### **Philippines**

#### **Philippines: Manila Expresses 'Full Support' for UN Conference**

*BK1106085396 Manila MANILA BULLETIN  
in English 10 Jun 96*

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Istanbul — The Philippines expressed its full support for the goals and commitment towards the vision of the United Nations (UN) Second World Conference on Human Settlements (Habitat II) by exerting efforts to turn the country's shelter and human settlements into modern and progressive places to live in.

Secretary General Antonio A. Hidalgo of the Housing and Urban Development Coordinating Council, who addressed the general segment plenary at the Lutfi Kirdar Convention Center the other day, said that

creating just and sustainable communities "is equally a national priority as it is a local priority."

Making special mention of the Local Government Code, Hidalgo said that this code is the Philippines' weapon in the implementation of "our urban development policies and strategies" on the local level.

"The national government acts as an enabler and the facilitator, creating and providing the conducive conditions for the maximum participation of all sectors," he said.

These distinct but mutually reinforcing roles provide the institutional framework for addressing various issues and problems confronting Philippine cities and urban centers, Hidalgo said.

Underscoring the importance and timeliness of this conference, dubbed the "City Summit," he said that this comes at a time when developing countries, including the Philippines, are faced with a "constant struggle for sustained economic growth and development, on one hand, and by rapid modernization and urbanization, on the other."

The transformation of large cities into mega-cities, he said, has become a phenomenon to challenge "both the ability and capacity of governments at all levels in the next century."

Habitat II, the last major UN summit of the century and considered the culmination of a series of international conferences since 1992, Hidalgo said, "must be the turning point in the global effort to make cities and all communities safer, healthier, more productive, equitable, and sustainable."

The series of development summits are: Environment Forum in Rio de Janeiro, Brazil, June, 1992; Human Rights in Vienna, Austria, June, 1993; Sustainable Development on Small Island States in Barbados, April, 1994; Natural Disaster Reduction in Yokohama, Japan, May, 1994; Population and Development in Cairo, Egypt, Sept. 1994; Social Development in Copenhagen, Denmark, March 1995; Women in Beijing, China, Sept., 1995; and Trade and Development in Johannesburg, South Africa, April, 1996.

A UN study said that if nothing is done about the ever-growing movement of people to urban areas, the problem of homelessness, congestion, traffic, unemployment, health, pollution, and crime will continue to be a threat.

By the year 2025, the UN study said, about a billion people will live in health and life-threatening situations in slums and depressed areas in many cities of the world.

Almost half of the world's population now live in highly urbanized areas.

"It is not a mere coincidence that many "mega-cities" are located in Asia," Hidalgo said. "Asia is home to the largest urban population in the world."

The mega-cities considered among the largest worldwide are: Tokyo, with a population of 28.7 million; Shanghai, 23.4; Jakarta, 21.2; Karachi, 20.6; Beijing, 19.4; and Dhaka, 19. Metro Manila ranks 16th among mega-cities in the world.

#### Philippines: Ramos Criticizes PRC Nuclear Test

BK1006040396 Quezon City Radio Filipinas  
in English 0230 GMT 10 Jun 96

[FBIS Transcribed Text] Philippine President Ramos has criticized the Chinese Government for holding another nuclear test last Saturday in spite of earlier pronouncements for disarmament.

China's latest nuclear test — viewed against the backdrop of its nuclear testing record — severely damages its credibility as a leading nuclear power, claiming to be committed to the course of disarmament, President Ramos said in a statement issued Sunday.

He said the Philippine Government was extremely disappointed over the nuke test, which was conducted only two days after advising the Conference on Disarmament in Geneva that it is temporarily giving up its demand for the right to conduct peaceful nuclear tests if other powers agree to a review.

President Ramos said China's latest nuclear test, on top of the condition it has presented to the other four declared nuclear powers, greatly undermines efforts to conclude a comprehensive nuclear test ban treaty by June 28 this year. [passage omitted on XINHUA statement]

President Ramos also expressed deep concern about the possible adverse effects that continued nuclear tests may generate on the quality of the environment as well as on the geological and seismological stability of the Asia-Pacific region.

#### Thailand

Thailand: Argentine Foreign Minister Discusses Helms-Burton Law

PY1106033596 Buenos Aires LA NACION in Spanish  
8 Jun 96 p 5

[Report by Flavia Alemann]

[FBIS Translated Text] Bangkok, 7 Jun — The complex issue of U.S.-Cuban relations is going through a special

situation due, mainly, to the electoral promises made to the Cuban-American community in the United States. Despite the vote against it at the OAS, all discussions about the Helms-Burton Law will have to wait for a new administration to take over. This is what Foreign Minister Guido Di Tella told *LA NACION*.

The minister said, however, that the United States needs regional legitimacy and that it cannot ignore the challenge posed by the OAS on this matter.

Di Tella also said that, basically, the law does not affect Argentina, although it complicates and delays the repayment of a debt worth \$1.4 billion.

"From the beginning my opinion with respect to the Cuban blockade — which is not a blockade, as such, but an embargo — is that it has little effect on commerce because Havana can purchase what it wants elsewhere," Di Tella said.

The minister said, however, that the policy "gives Castro an excuse for his country's economic problems."

The foreign minister said that Argentina's position is that a greater economic opening will have favorable social repercussions and that, eventually, given the fact that Cuba is a small country — not like China, for instance — it will provoke political change.

"The United States does not have a clear model with respect to Cuba and its current policy is inhumane and useless, but in order to discuss anything, we will have to wait for a new administration to take over at the beginning of next year," the minister, who is on an official visit to Thailand, concluded.

#### **Thailand: Argentine Minister Urges Investment in Telecom Sector**

*BK1006112296 Bangkok THE NATION in English 10 Jun 96 p B2*

[Report by Nitsara Sihanam]

[FBIS Transcribed Text] Argentine Foreign Minister Ing Guido Di Tella has urged Thai businessmen to invest in his country's growing telecom sector following a recently-adopted privatisation programme.

Meanwhile he voiced support for the World Trade Organisation's [WTO] efforts to come up with an agreement on agriculture and intellectual property rights in its ministerial meeting at the end of this year.

Di Tella, who oversees international trade, led a mission which includes official parties of businessmen to Thailand in a visit to boost trade relations with the private and government sectors.

According to a report by the World Economic Forum in 1994, Argentina was once named as the most open and least protectionist country in the world. The country is currently opening its economic systems, drawing up several privatization programmes for airlines, railroads, electric power, public services and telecommunications.

The combined value of privatised firms amounted to US\$26.9 billion ([Thai baht] Bt672.5 billion) by the end of 1994. Malaysia, one of the ASEAN countries, has participated in a privatization programme, the report said.

The demand for infrastructure, particularly in telecommunications, will be attractive for foreign investors to Argentina, said the minister, adding foreign investors do not need to seek any kind of prior approval and are free to repatriate the full amount of their capital and earnings at any time. Foreign and domestic companies were treated equally, he said.

Thailand had a trade deficit with Argentina of Bt3.49 billion last year, a sharp increase from Bt81.2 million in 1994 due to substantial imports including steel, bovine leather, pipes, machine parts and scrap iron.

Argentina bought canned tuna, canned pineapple, air conditioners, clothing, sports footwear and rubber from Thailand, according to Wichian Techaphaibun, vice president of Thai Chamber of Commerce.

Wichian said the Board of Trade will lead a delegation to Argentina in October.

Regarding the WTO ministerial council to be held this year, Di Tella said Argentina will concentrate on an agriculture agreement and an intellectual property agreement.

The private sector from Thailand and Argentina should create a stronger relationship with the cooperation of ASEAN members and Mercosur, a trade organisation comprising Brazil, Paraguay and Uruguay.

Because of globalisation and the great effectiveness of telecommunications, long distance is now considered not to be a barrier. In the future, ASEAN and Mercosur can cooperate," Di Tella said.

#### **Thailand: Argentine Foreign Minister Begins Official Visit**

*PY0706140496 Buenos Aires TELAM in Spanish 1335 GMT 6 Jun 96*

[FBIS Translated Text] Bangkok, 6 Jun (TELAM-SNI) — Foreign Minister Guido Di Tella today began an official three-day visit to Thailand. He will meet his Thai counterpart [as received], Amnuai Wirawan, and

will sign a cooperation treaty on using nuclear energy for peaceful purposes.

A DPA news agency report notes that the Argentine foreign minister arrived today in Bangkok, the capital of Thailand, from Vietnam, within the framework of a tour that he is making through various cities in Southeast Asia.

The foreign minister is heading a delegation of Foreign Ministry officials and Argentine entrepreneurs who went to Vietnam and Thailand to promote trade and enhance investments between Argentina and that region.

Di Tella's arrival in Thailand is important to Argentina's foreign policy, as it represents the first official visit by a government official to that country since 1961. Former President Arturo Frondizi visited that Asian nation 35 years ago.

On 7 June Di Tella will meet his Thai counterpart, Amnuai Wirawan, and will sign a cooperation treaty on using nuclear energy for peaceful purposes at the Ministry of Science, Technology, and Environment.

After visiting Thailand, Di Tella will go to Brussels (Belgium). There he will join an Argentine delegation, headed by President Carlos Menem, within the framework of scheduled meetings between Mercosur (Common Market of the South) and the EU.

#### **Thailand: Atomic Energy Accord Signed With Argentina**

*PY0806035796 Buenos Aires TELAM in Spanish  
1154 GMT 7 Jun 96*

[FBIS Translated Text] Bangkok, 7 Jun (TELAM-SNI) — Argentina and Thailand signed an accord today providing for both countries' cooperation in the field of peaceful uses of atomic energy, which leaves a door open for Argentine technology to gain a foothold in Thailand.

The agreement was signed by Yingphan Manatsikan, Thailand's minister of science, technology, and environment, and Argentine Foreign Minister Guido Di Tella, who voiced satisfaction at the "improvement in Argentina's position" in Thailand.

Di Tella arrived in Bangkok yesterday accompanied by high-powered business executives who want to find new markets in the Asian region.

During a news conference at the Foreign Trade State Bureau today — which was attended by a considerable number of Thai businessmen — the Argentine foreign minister discussed the possibilities Argentina and Mercosur [Common Market of the South] have for doing business.

Di Tella pointed out that although Argentina is not on the Pacific Rim, it would like to have a permanent presence in the economic alliances between Pacific Rim countries.

The head of the Foreign Ministry observed that Argentina's interest to further closer ties with Southeast Asia is corroborated by the state visits Argentine President Carlos Menem is to make to Indonesia, Singapore, and Malaysia in the month of August and the ones the Argentine head of state will make to Brunei, Thailand, and Vietnam in 1997.

Argentina is willing to endorse the proposal put forward by some nations of the Western Hemisphere to hold a summit of heads of state and government of Asia and Latin America, similar to the one held by the EU and 10 Asian countries in March.

The head of Argentine diplomacy told EFE that at the meeting he will hold with Thai Deputy Prime Minister Amnuai Wirawan this afternoon, they will broach world political affairs, like the reform of the United Nations and relations between the Association of Southeast Asian Nations (ASEAN) and Mercosur.

The ASEAN, which was established in 1967, comprises Brunei, the Philippines, Indonesia, Malaysia, Singapore, Thailand, and Vietnam, whereas Mercosur is a South American regional bloc comprised of Argentina, Brazil, Paraguay, and Uruguay.

Di Tella winds up his state visit to Bangkok today and leaves Thailand tomorrow.

#### **Thailand: Nuclear Applications Accord Signed With Argentina**

*BK0806135896 Bangkok BANGKOK POST  
in English 8 Jun 96 p 2*

[Unattributed report]

[FBIS Transcribed Text] Thailand signed an agreement with Argentina yesterday on developing peaceful applications for nuclear power.

The deal aims to allow for more bilateral cooperation on nuclear issues, exchange of experts, and sharing of research information.

Foreign Minister Guido di Tella signed for Argentina and Science, Technology and Environment Minister Yingphan Manasikan for Thailand.

The two countries may conduct joint studies on nuclear safety and the effects of radiation on health, said the deputy permanent secretary at the Science, Technology and Environment Ministry, Wichian Athisuk.

They will exchange information on nuclear waste disposal, the use of isotopes in medical and other services, and the construction of nuclear reactors, Mr Vichian said.

The deputy secretary-general of the Office of Atomic Energy for Peace, Anan Yutthamanop, said the agreement did not cover a plan to build a nuclear power plant in Thailand.

A committee to conduct a feasibility study on the plan will be appointed by the Cabinet soon, Mr Anan said.

The Office currently has a 1 megawatt nuclear reactor to produce isotopes for medical services and food irradiation.

Mr Anan said Thai and Argentine experts may work together to build Thailand's second nuclear reactor, with a capacity of two megawatts, at Ongkharak in Nakhon Nayok.

#### **Thailand: Argentina Seeks To Strengthen Trade Relations**

*BK0806140596 Bangkok BANGKOK POST  
in English 8 Jun 96 p 13*

[Unattributed report]

[FBIS Transcribed Text] Argentine Foreign and Trade Minister Guido Di Tella yesterday discussed with leading Thais possible ways of boosting business relations, including the creation of a new chamber of commerce.

Commercial relations between the two countries are limited and sporadic. Trade with Argentina is only 0.17% of Thailand's total trade.

Argentina's top export to Thailand — cotton — plummeted from 951 million baht in 1991 to zero two years later, before bouncing back to 1.1 billion baht last year.

The swings have been in the opposite direction for Thai electrical goods and motorcycle exports — from zero in 1991, they peaked at 107 and 69 million baht in 1993, falling back to 30 and 21 million baht last year. The current top five Thai exports to Argentina have grown more steadily over the period, however.

Mr Di Tella spent much of yesterday promoting business opportunities in his country. After a breakfast meeting with business guests, he addressed a seminar organised with the Board of Trade and Thai Chamber of Commerce on potential business with Argentina and Mercosur — the Southern Common Market that also includes Brazil, Uruguay and Paraguay.

In the afternoon he signed a cooperation agreement on the peaceful use of nuclear power with Science, Technology and Environment Minister Yingphan Manasikan.

And in the evening, he and Dr Amnuai Wirawan, deputy prime minister and foreign minister, witnessed the initialing of a draft investment promotion and protection agreement.

Among the attractions Mr Di Tella listed in his meetings with business people were Argentina's strong agricultural base (beef, cattle and grains), raw materials, oil exploration and extraction technology, nuclear power, hydro power, light arms industry, and "relatively qualified" labour force.

One of Argentina's attractions is its membership in Mercosur, which was set up six years ago. Boosted by free trade internally and common customs duty rates externally, trade among the four countries surged from \$2 billion to \$15 billion in the six years.

Mercosur has a combined population of 200 million, about two-thirds of ASEAN's and combined national incomes of \$1 trillion. In December the four members and the European Union agreed to work toward a free-trade agreement. Negotiations start on Monday, Mr Di Tella said in an interview.

He said some sensitive products would probably be excluded from any Mercosur-EU deal. The Europeans are unlikely to welcome free imports of agricultural products, while the Latin Americans would want to avoid European products disrupting their labour-intensive industries, he said.

The proposed new chamber of commerce could take several forms. Mr Di Tella said it should link the Thai business community with its counterpart either in Argentina or Mercosur.

"Mercosur has tremendous appeal," Mr Di Tella said in response to a suggestion from former Thai Foreign Minister Thanat Khoman, who said the chamber might be Thai-Latin American.

The attempt to boost trade ties could still encounter obstacles. The nuclear technology Mr Di Tella promoted yesterday, and the privatisation of three still uncompleted nuclear plants, are controversial even in Argentina.

One of the companies represented in his trade mission sells garlic, onions and soybeans, all highly sensitive and protected products in Thailand.

Mr Di Tella said Argentina would like to be a member or observer of the Asia-Pacific Economic Cooperation (APEC) group. Although Argentina does not have a Pacific coast, it has an agreement allowing it access to ports in Chile — an APEC member.

Mr Di Tella has responsibility for bilateral, regional and global trade negotiations. Asked whether the increasing number of groupings and agreements was making the world too complex, he said he did not think so, as long as the agreements did not distort trading patterns.

"The future is a more complex future. The end should be free trade in the world," he said.

Argentina has a population of about 35 million.

In 1993 Argentina's economic growth rate (GDP) was minus 0.5%, according to the World Bank. Last year's performance was described as a "deep recession" with the last three quarters registering negative rates equivalent to -7% to -8% per year.

But this year Argentina's economy is recovering. The government is predicting about 5% growth for the year, hitting as much as 8% or 9% in the last quarter. The **FINANCIAL TIMES** reports that private economists are more cautious. They predict 2-3% for the year.

Argentina's long-term and short-term foreign debt stood at \$77.4 billion in 1994, according to the World Bank (Thailand's was \$61 billion).

#### **Thailand: Asian, European Businessmen Building on ASEM Pledges**

*BK1006045396 Bangkok BANGKOK POST  
in English 10 Jun 96 p 20*

[Report by Nutsara Sawatsawang]

[FBIS Transcribed Text] The first Asia-Europe Business Forum will get underway in Paris on October 14-15, with participants expected to build on discussions that took place at the Bangkok meeting last March.

The 25 leaders from Asia and the European Union agreed during the Bangkok meeting to set up the business forum to encourage stronger networks between the Asian and European business communities.

The director-general of the Foreign Ministry's Economic Affairs Department, Kopsak Chutikun, said France had planned to host the meeting in November, but many of the Asian nations found the timing inconvenient because it coincided with the Asia-Pacific Economic Cooperation meeting in the Philippines.

The October forum will bring together five working groups — infrastructure, capital goods, consumer goods, financial services, and small- and medium-sized enterprises (SMEs).

Mr Kopsak said each working group would include one representative from each country. Thailand's representatives will be chosen from members of the Indus-

try Council, the Chamber of Commerce and the Thai Bankers Association.

A paper prepared by the French government listed the priorities for discussion as liberalisation of government procurement, market access conditions, partnerships and joint ventures, deregulation and protection of intellectual property rights.

The working group on infrastructure will focus its attention on major cooperation projects, personnel transfers pooled financing and environmental protection, while the financial services working group will look at the financing of large projects and cooperation with third countries.

The SMEs working group will look at how to link up with and supply large businesses and how to better access distribution channels.

Meanwhile, a core group of senior officials from six countries, with Britain, France and Germany representing the European Union, and Singapore, Thailand, and Japan representing Asia, will meet on July 5 in Paris to work out the formalities for the forum.

Mr Kopsak said officials were particularly concerned about defining what the government sector's role would be.

"Though it is a forum of businessmen, representatives from the government side are needed to kick off ideas and discuss on-going plans that affect the businessmen," explained Mr Kopsak.

The Asian side of ASEM [Asia-Europe Meeting] is made up of Brunei, China, Indonesia, Japan, Malaysia, the Philippines, Singapore, South Korea, Thailand and Vietnam. The European side includes the fifteen countries that make up the European Union.

#### **Thailand: ASEAN Concerned About Burma; Chairman Sent**

*BK1106053896 Bangkok THE NATION in English  
11 Jun 96 pp A1,A2*

[Report by Yindi Loetchaleunchok]

[FBIS Transcribed Text] Bukittinggi, Indonesia — The Association of Southeast Asian Nations is planning to dispatch Indonesian Foreign Minister Ali Alatas to Burma to express its concern over "the growing political tension" between the Burmese junta and pro-democracy forces led by Aung San Suu Kyi.

The decision was made by senior ASEAN officials at their informal meeting on Sunday in preparation for the second ASEAN-China consultative meeting in Jakarta next month.

Sarot Chawanawirat, the deputy permanent secretary of the Thai Foreign Ministry, said Alatas, who is the ASEAN chairman, will express the regional association's concern over the recent tensions to both the leaders of the Burmese junta and to Suu Kyi, leader of the opposition National League for Democracy [NLD].

If a meeting with Suu Kyi takes place, it will be the first official ASEAN contact with the popular Burmese leader, whose NLD party won a landslide victory in the May 1990 general election. The ruling State Law and Order Restoration Council (SLORC) has refused to recognise the results of the poll.

Last year, ASEAN diplomats based in Rangoon tried to arrange a working-lunch with Suu Kyi two weeks after her release from house arrest but failed after the SLORC leaders strongly protested against the planned meeting.

ASEAN officials said their countries have been "very concerned" with the sweeping arrests last month of more than 260 NLD members by the junta. They also fear that the ongoing confrontation between the NLD and the SLORC could lead to a violent crackdown and bloodshed.

ASEAN officials said yesterday they did not know if Alatas will accept the assignment, which is expected to take place before the ASEAN Ministerial Meeting (AMM) July 19 to 21 in Jakarta.

The officials said ASEAN does not want to see a renewed breakout of violence as a result of "growing political tension" in Burma, as the country is attending the AMM as an observer.

ASEAN's plans to send Alatas to Burma come as US President Bill Clinton dispatched former ambassador to Thailand William Brown and Stanley Roth, the former senior director of the National Security Agency, to Japan and ASEAN countries "to consult on coordinated responses" to the developments in Burma.

The recent activity in Burma has put its seat in the upcoming ASEAN Regional Forum (ARF) in jeopardy as ARF members will have to decide whether to admit the Burmese military junta or not. Senior ASEAN officials have recommended that the ARF take in Burma for the upcoming meeting.

Indonesia, as host of the meeting, has asked ARF members to state their opinions by June 10 on whether to let Burma and India join them. According to Izhar Ibrahim, director general of the Indonesian foreign ministry's political affairs department, ASEAN has not received any objections from the ARF members.

But ASEAN officials are still concerned that SLORC's repeated threats to crack down on the pro-democracy

movement and a potential eruption of violence would make it difficult for ASEAN to admit Burma to the ARF.

Meanwhile, Japan and the United States agreed yesterday to seek a regional approach to stabilising the political situation in Burma although they differed slightly on measures to be taken, Japanese officials said in Tokyo.

Japanese Foreign Minister Yukihiko Ikeda told the two US envoys that Tokyo shared Washington's goal of preventing the situation in Burma from deteriorating after Rangoon cracked down on the pro-democracy political forces, according to REUTER.

Ikeda told his US visitors, however, that it would not be productive to single out Burma as a political issue in the ARF, the official said. Instead, Ikeda and Washington should take advantage of the AMM and post-ministerial meeting to raise the issue on the sidelines, he said.

In a related development, Britain yesterday expressed apprehension that some 30 opponents of Burma's military rulers who remain in detention may be tried in secret, including an aide to Suu Kyi.

A Foreign Office spokesman said Britain had condemned the arrests last month of 250 members of the NLD.

#### Thailand: Article Views Burmese Daily's Use of Suu Kyi's Name

BK1006081196 Bangkok THE NATION in English  
10 Jun 96 p A4

[Article by Silvia Feist: "What's in a Name? In Burma, Maybe a Truce"]

[FBIS Transcribed Text] To read Burma's state-run newspapers last week one gets the impression that the name of opposition leader Aung San Suu Kyi is a synonym for the words "destructionist", "traitor", or "enemy".

Her name itself, or that of her party the National League for Democracy (NLD), are rarely used. During the crucial period when the NLD-congress was held, only one Burmese-language daily KYEMON dared publish her name; in a two-installment article under the headline, "Why the Demand for Dialogue Was Not Implemented."

The article offered a striking contrast to the common tone of other Burmese newspapers: welcoming a dialogue, outlining topics to be clarified before a dialogue could be implemented and even referring to "voluntary public labour" with an unstated admission that this labour is far from being voluntary on all occasions.

And — perhaps most astounding — it directly addressed "Dear Daw Aung San Suu Kyi."

The article caught the attention of various embassy officials who described it as "very unusual" and said "it might be a hint that they (the military) are moving." The article stated that there are two schools of thought in Burma on national reconciliation, calling one the "Utopian National Reconciliation Policy" versus the "Objective National Reconciliation Policy."

The so-called utopian policy, it said, prescribed the separation of the military and parliamentary, and was an apparent reference to NLD policy. Surprisingly this idea is accepted in principle, but rejected for the time being.

The so-called objective policy legitimises the dominant role of the military as "a natural result" of Burma's social and political developments, especially what it called the "diversity in insurgency", which the newspaper described as unique in the world. Suggesting that this policy would be more adequate for present-day Burma, the article urged "Myanmar (Burma) leaders and the people of Myanmar to use their own political experience."

To strengthen this argument the article quotes Suu Kyi saying "the Burmese people experienced a parliamentary era", but — as the article concludes — during this era "internal insurgency and terrorism were raging," therefore the Anti-Fascist People's Freedom League (APPFL) "had no choice but to commit acts that countered democratic practice."

The indirect implication that the State Law and Order Restoration Council (Slorc) and APPFL handled politics in the same way — at least in the question of counter-insurgency — is disturbing for many reasons. Nevertheless it is a challenging argument, since Suu Kyi's father, Gen Aung San, was one of the cofounders of the APPFL. And Suu Kyi often contrasts the tatmadaw (People's Army) with the forces of her father's time.

The article urges Suu Kyi to declare her attitude towards these two policies as an important step on the way to dialogue. And three days later the NLD congress did recognise the tatmadaw as a necessary institution of the country. It reaffirmed the supremacy of parliament.

The article concludes with a warning not mentioning Suu Kyi's name, but nevertheless directly addressed to her, that: In case she decides to "follow the imaginative [utopian] national reconciliation path, you will be unavoidably pushed to intimidating, pressuring, and coercing the present government". That fits the statement Tourism Minister Gen Kyaw Ba made last week in an interview with Radio Australia, putting forward that Slorc cannot tolerate Suu Kyi's criticism.

As far as it is known the writer of the article, U Hla Myint, is not directly related to the military government. But since his article was published in a state-controlled daily, there are only two possibilities of interpretation: either it was published by mistake or Slorc is slowly starting to open a channel for dissenting ideas. This might be considered as some kind of "proxy dialogue" on the way to the dialogue Suu Kyi has been demanding for so long.

#### Thailand: China's Imminent Entry Into ASEAN Previewed

BK1006083696 Bangkok THE NATION in English 10 Jun 96 p A2

[Report by Yindi Loetcharoenchok]

[FBIS Transcribed Text] Bukit Tinggi, Indonesia — Asean will officially announce and welcome China as its new dialogue partner when its foreign ministers hold their annual meeting next month in Jakarta.

China will become the ninth dialogue partner with the Southeast Asian grouping after India, Australia, Canada, Japan, New Zealand, South Korea, the United States and the European Union.

Beijing asked Asean members to upgrade its relations and status from a consulting partner to a full dialogue partner after India gained that status at the Asean summit in December in Bangkok.

Senior Asean officials agreed at a meeting last month in Yogyakarta, Indonesia, to grant China's request. Asean will make an official announcement on China's new status at the upcoming Asean Ministerial Meeting from July 19 to 21 in Jakarta.

At Yogyakarta, Asean decided to defer further discussion on the matter and consider a draft declaration on Sino-Asean relations next year.

At the height of the Taiwan crisis in March, Beijing unexpectedly submitted a draft entitled "Declaration on the Relations between China and the Member States of the Association of Southeast Asian Nations" to Asean members.

Though the document is couched in diplomatic tones, Asean members have a "strong suspicion as to the real motives" behind China's request. Beijing has issued a similar document on relations with North Korea and Mongolia, but the draft Sino-Asean document, if signed, would be the first between China and a regional grouping.

Senior Asean officials gathered in the West Sumatran city of Bukit Tinggi for the second Sino-Asean consultation beginning today, said the Chinese delegation

led by Tang Jiaxuan, vice minister for foreign affairs, might use the opportunity to explain their position. They said the five-point declaration is similar to documents already signed with China by individual Asean members and the grouping as a whole. Some of them included a joint communique recognising "one China" that each country signed with Beijing when they established diplomatic relations.

The officials said the Institute for Strategic and International Studies (ISIS), a research and advisory mechanism for Asean states, recommended that the grouping agree to sign the draft if China endorses three important Asean documents — the Treaty of Amity and Cooperation, the Asean Declaration on the South China Sea and the Treaty on a Southeast Asia Nuclear Weapons Free Zone.

Beijing has refused to recognise the 1976 amity treaty, calling it an instrument for Southeast Asia, of which China is not a part.

ISIS wants clarification from Beijing on the declaration — is it intended to be signed by each individual Asean member or Asean as a whole? Because Asean is incorporating three other Southeast Asian nations Burma, Cambodia, and Laos — the former interpretation would require all new members to recognise and sign the document at a later date.

Asean officials said that while they and China want closer bilateral relations, they believe Beijing might want the document signed as a guarantee, a tool for "mutual assurance and confidence", especially at a time when it has to deal with regional and international political and economic disputes, such as the Spratly Islands and Taiwan.

Taiwan officials, at the same time, have expressed "strong concern and suspicion" over the Beijing document, believing that it was devised and designed to "further isolate" the island republic, which has launched an intensive global campaign to improve its national and diplomatic legitimacy.

Since 1992, Taiwan has repeatedly failed to persuade Asean to grant it dialogue partner status. While all Asean members have signed a joint communique with Beijing recognizing its "one China" policy, Taiwan ranks among the 10 largest foreign investors in Asean countries.

#### Thailand: Article previews ASEAN-China Ties

*BK/006092996 Bangkok THE NATION in English 10 Jun 96 p A4*

[Article by Kawi Chongkitthawon: "ASEAN-China Ties Are Maturing"]

[FBIS Transcribed Text] The growing confidence of Southeast Asian countries in engaging China and Beijing's desire to consolidate its ties with the smaller but economically dynamic and strategically important neighbours are the two major factors shaping this delicate relationship as it enters the 21st century.

ASEAN countries left a strong and firm impression with the Chinese leadership in Hangzhou last April that Beijing could no longer take the Association of Southeast Asian Nations at face value and that for bilateral ties to prosper, and trust to increase, ASEAN and China would have to become franker and dwell more on deeds rather than rhetoric.

Since that first ASEAN-China political consultative forum, both sides have looked for new ways to advance their political and security dialogue to build mutual confidence and accommodate each other's desires and anxieties.

Recently ASEAN agreed to upgrade China as its ninth dialogue partner, joining Australia, Canada, the European Union, India, Japan, New Zealand, South Korea and the U.S.. Russia could possibly join next year.

While it is the first time in history that the countries of Southeast Asia have demonstrated the confidence to engage all the major world powers at once, China remains at the centre of the region's concerns.

As such, it raises a question as to whether ASEAN can really manage its ties with China alone? Apparently, ASEAN feels it can. At this juncture, ASEAN believes it is the only window of opportunity China has to illustrate its goodwill and its avowed pacifist policies as the rest of the world is up in arms against it.

Past efforts to engage China under the framework of the Treaty of Amity and Cooperation in Southeast Asia failed because Beijing viewed the ASEAN code of conduct as restricting its diplomatic manoeuvring. But new efforts are now underway.

A new joint declaration for political cooperation between China and ASEAN has been drafted after the Chinese version was rejected by ASEAN. ASEAN has also prepared a code of conduct for the South China Sea for China's consideration. When the second round of the ASEAN-China consultative meeting starts today at Bukittinggi, West Sumatra, these issues will be at the

top of the agenda. Another issue will be China's intentions over the South China Sea.

While ASEAN welcomes Beijing's plan to ratify the 1982 UN Convention on the Law of the Sea by the end of this month, some ASEAN members are quite bewildered by Beijing's latest move — a new piece of legislature announced on May 15 to draw a base line around the Paracel Islands — which they believe will have a far reaching implication in future efforts to settle the South China Sea dispute. Vietnam and the Philippines have protested at China's pronouncement.

Last March, ASEAN jointly issued a statement of concern over China's actions around Mischief reef. Subsequently, last July in Brunei, Beijing agreed to discuss the South China Sea with ASEAN after years of insisting it would only talk about the issue on a country-to-country basis. ASEAN is hoping that China will in the future behave in a more predictable way with regard to problems in the South China Sea.

The United States aside, ASEAN considers its ties with China as the key focus of its diplomacy and in particular, its efforts to encourage this giant neighbour to play a stabilising role in the region.

Oddly enough, while all ASEAN members understand the imperative of having a U.S. presence in Southeast Asia, they refuse to become a conduit, for good or for worse, in U.S.-China relations.

In ASEAN's view, its friendship with China is unique because of their shared interests. As Asian countries, they have shared values and a shared history and above all they are not subject to the political concerns and public reactions as is the case with the U.S.-China relationship.

ASEAN knows full well that for its relations with China to be effective, they must be consistent and nurtured over time. Therefore, ASEAN is using the ASEAN Regional Forum [ARF] to engage China to ensure that the Middle Kingdom becomes sensitive to the region's needs. At the same time, ASEAN would ensure that the ARF does not become an arena for the containment of China.

After its initial reluctance, China has now become more active in the ARF, reflecting its increased confidence in ASEAN and the usefulness of this forum in addressing issues of mutual interest and concern in northeast Asia and other regions. To Beijing, the ARF is becoming a credible venue to imbed trust and allay fears of China.

It remains to be seen how ASEAN-China ties will evolve. One thing is clear, both sides are eager to demonstrate that their deep relationship can be managed

and nurtured the Asian way without interference from third parties.

### Vietnam

**SRV: Radio 'Commentary' Denounces PRC's Nuclear Test**

*BK1006142496 Hanoi Voice of Vietnam in English 1000 GMT 10 Jun 96*

[Station commentary]

[FBIS Transcribed Text] Last week, China conducted a nuclear test in Lop Nor bases in North China. This move has sparked off strong worldwide protest. Following is our radio comment on the test:

The two U.S. atomic bombs in Hiroshima and Nagasaki in the past still remain vivid among mankind. As more people in the world are actively struggling against nuclear tests for a world without nuclear weapon, making our world an a world of peace, stability, and cooperation among all nations, anyone and any country running counter to this aspiration should be strongly condemned.

Right after China's nuclear test, the White House declared that the United States of America was very (?regretful) of the incident and called on China to stop immediately its nuclear tests while the world is conducting negotiations on global ban on nuclear testing. Australian Prime Minister John Howard and Japanese Prime Minister Hashimoto also criticized China for ignoring the world's public opinions on the issue. Japanese Foreign Minister Ikeda summoned the Chinese ambassador to explain Japan's official rejection and informed its continuation of aid sanction against China.

On Sunday, South Korean Government released a statement denouncing China's for conducting nuclear tests and called on China to stop its future tests. The statement also called on China to join the world efforts for a nuclear free planet. Meanwhile, New Zealand Prime Minister James Bolger said that New Zealand sent a letter of protest to Chinese ambassador to New Zealand and New Zealand ambassador in Beijing sent a letter of protest to the highest leader of China. German Foreign Minister Kinkel demanded China withdraw its nuclear tests. China's nuclear tests were also denounced by Luxembourg, Norway, Denmark, Sweden, England, Iceland, and the Green Peace Organization.

**SRV: 'Commentary' Reviews Relations With Ukraine**

*BK0706133996 Hanoi Voice of Vietnam in English  
1000 GMT 7 Jun 96*

[Station commentary]

[FBIS Transcribed Text] The Inter-Governmental Committee for Economic, Trade, Scientific, and Technical Cooperation between Vietnam and Ukraine met for the second session in the Ukraine capital of Kiev. The two sides, [words indistinct], reviewed the committee's activities in the previous years and worked out orientations for the coming period. Here is the review of relations between Vietnam and the Ukraine:

Over a year ago, the Vietnam-Ukraine Inter-Governmental Committee for Economic, Trade, Scientific, and Technical Cooperation met for the first session in Hanoi. At the second session, the two sides acknowledged encouraging results of bilateral cooperation to implement agreement reached at high level meetings. Vietnam and Ukraine this time worked in details to find out relevant ways of cooperation suitable with realities in each country and with the new stage of development of each economy.

After a short hiatus, the traditional close relationship between Vietnam and Ukraine was restored and has been developing positively with the exchange of visiting delegations. Noteworthy were the Ukraine visit by Vietnamese Prime Minister Vo Van Kiet and Deputy Prime Minister Tran Duc Luong and the Vietnam visit by Ukrainian Prime Minister Leonid Kuchma [title as heard]. The two sides have signed a treaty on principles for the relationship cooperation and a number of cooperation agreements in trade, marine navigation, posts and telecommunications, investment encouragement and protection, and cultural and science.

Ukraine supplied equipment for the construction of the 500-kilovolt national transmission line, cooperated with Vietnam in building the Thac Mo hydroelectric power plant, and together with Russia, Ukraine helped Vietnam build the Yali hydroelectric power plant. All the signed documents of these cooperation projects proved that both Vietnam and Ukraine are trying to build the country and to further develop bilateral relations in the new international situation.

Speaking to reporters in Hanoi during his visit to Vietnam, Ukrainian President Kuchma said he believed that the traditional relation and comprehensive cooperation between Ukraine and Vietnam would further develop for mutual benefits.

**SRV: Industrial Production Grows by 13 Percent**

*BK0806155296 Hanoi VNA in English  
1501 GMT 8 Jun 96*

[FBIS Transcribed Text] Hanoi VNA June 8 — Industrial production in the first six months of 1996 keeps growing at an estimated average of 13 percent per month with the state-run sector posting a 13.4 percent increase and the non-state sector, 12.8 percent.

Major industries of importance to the national economy and people's life have all recorded increases over the same period last year such as: electricity (18.7 percent), coal (18 percent), steel (22.7 percent), tin (39 percent), pesticide (40.9 percent), sugar (27.8 percent), paper, textile, crude oil and cement between 5-11 percent. Hanoi, Ho Chi Minh City, Dong Nai Southern Province, the central province of Quang Nam-Danang, and the southern central province of Khanh Hoa are leading the country in industrial production.

Transport and posts and telecommunication services continue to be expanded. Transport volume in the first six months of this year may increase by 11 percent. The country now has one million telephones and 23,000 mobile telephones as compared to 742,000 and 15,000 respectively at the end of 1995.

As for trade, domestic sales in the first half of this year is estimated at VND 99,000 billion (USD 9 billion) or 23 percent over the same period last year. The tourism industry has served 640,000 foreign guests, 23 percent more than the previous corresponding period.

Half year's export turnover is expected at USD 3,050 million or an increase of 16.5 percent with crude oil, coal, ready made garments, rubber, processed aquatic products, rice, peanut and coffee as major exports while import turnover at USD 4,820 million, increasing by 28.9 percent, of which enterprises with foreign capital make up USD 900 million.

Economic development has made the budget balanced with revenues up by 21.3 percent and expenses by 20.8 percent over the same period last year. The price index in May reduced by 0.5 percent as compared to April and that for the first five months of this year stood at 3.8 percent, making it feasible to keep the price index in 1996 under 10 percent.

These results are attributed to intensive investment in infrastructure and technology for industrial production establishments in the past years, the re-structure of state enterprises with the merger by large corporations, as well as the government's incentive policy towards all domestic economic sectors and foreign investors. Other factors include the application of combined solutions to

check inflation as early as the third quarter of last year and measures taken by all ministries and branches to boost production, to ensure smooth circulation, and to solve on time financial and monetary problems. Bumper harvest in the last year is also an important reason.

**SRV: Socialist Construction, Other Topics Discussed With Press**

**962E0047A Ho Chi Minh City TUOI TRE in Vietnamese 11 Apr 96 pp 1, 11**

[Article by Le Tho Binh on major questions at news conference: "How Are the Model and Goals of Socialist Construction Determined?"]

**[FBIS Translated Text]** In the morning of 9 April in Hanoi, the Secretariat of the CPV Central Committee held a news conference to make public the draft political report that the fourth-term CPV Central Committee will present at the Eighth Party Congress and to solicit the people's opinion on it. In the presence of hundreds of domestic and international journalists, Hong Ha, secretary of the Central Committee and director of the International Department of the Central Committee, answered many questions. TUOI TRE summarizes a number of major questions and answers as follows.

**Model and goals for building socialism?**

[TUOI TRE] Our party advocates economic renovation, building of a multicomponent economy, operating on the basis of the market mechanism, and along with it the strengthening of the state's managerial role in the preset socialist direction. So what is this preset socialist direction? Are the model and goals of socialist construction that will be asserted by the Eighth Party Congress any different from the concept that we have been accepting?

[Ha] Socialism has its own characteristics. To fully build socialism with all of its characteristics requires a long time. The draft political report to be presented to the forthcoming Eighth Party Congress sets forth the major directions, policies, and solutions for gradually achieving these characteristics in the land of Vietnam. This we call building the country in accordance with the preset socialist direction.

[TUOI TRE] One of the goals of Vietnam's renovation is to build and consolidate the rule-of-law state. This means that to obey the law serves as the foundation of running the country. At the same time, we also assert that our party is the ruling party. Please clearly explain this relationship and how our party can be both the leader and the executioner of law.

[Ha] The party strengthens its leadership role, but at the same time it further develops the role of the state to

build and consolidate the state jurisdiction. In the draft political report, the following is made clear: The party develops the role and power of the state, but it does not execute (the affairs of the country) in the place of the state.

[Hanoi Radio-TV] The draft political report asserts the goal that by the year 2020 our country will basically have become an industrialized country. Can you clearly explain the word, basically?

[Ha] There will be a modern industry, a logical economic structure, production relationships that will be progressive and suitable for the level of the productive force, high standards of material and spiritual living, and strong national defense and security. In short, basic industries, especially the heavy industries, will have been formed.

[NHAN DAN] On what basis do you determine the mobilization of capital for national construction in conformity with "Domestic capital is decisive; foreign capital is important?"

[Ha] National construction, as the draft political report points out, encounters many difficulties. One of the difficulties is the fact that we are short of capital; therefore, the draft political report also recommends that we concentrate on mobilizing all sources of domestic capital and at the same time attracting foreign capital for our industrialization and modernization. The draft political report also mentions one of our recent shortcomings, namely, waste. Therefore, in the next five years, through propaganda and education we must strive to make the people accumulate capital for investment in economic development.

**What place in the economy for private economy?**

[AFP] In their recent visit to Vietnam, many foreign specialists recommended that in order to speed up its economic growth, Vietnam must strengthen the role of the private economy. However, the draft political report asserts the strengthening of the managerial role of the state in the economy. Is it true that Vietnam wants to sacrifice somewhat its economic growth in order to ensure the leadership role of the state?

[Ha] In the draft political report, achievements are mentioned; at the same time, it also points out the shortcomings. Of these shortcomings there is the problem of management by the state. The management by the state is strengthened in order to create favorable conditions for developing production and for foreign investors to do business in Vietnam more easily.

[AP-Dow Jones] What role in Vietnam's economy will be given to private economy?

[Ha] The role of the private economy is clearly mentioned in the draft political report. The private economy can rest assured that it will be doing business for a long time.

[FINANCIAL TIMES (Great Britain)] In what specific fields can the private economy operate in Vietnam?

[Ha] The Private economy can operate in many fields, such as economy, commerce, services, and so on.

[FAR EASTERN ECONOMIC REVIEW] The draft political report suggests strengthening the state's managerial role in accordance with the preset socialist direction. How is the question of selling shares to the public considered?

[Ha] The draft political report also mentions the need to encourage state enterprises to offer ownership to shareholders. This is a job that remains extremely difficult, but the party encourages this process. As to what will actually happen, the Eighth Party Congress will decide.

#### **Can party members do business in the capitalist private economy?**

[TUOI TRE] One of the questions that are much discussed is whether party members, as citizens, can take part in activities in the capitalist private economy. Can you clarify this matter?

[Ha] Party members as citizens must respect the law of the state, but at the same time they must respect the party statutes and discipline. In the current statutes, and in the draft revised statutes to be submitted to the forthcoming congress as well, the following is included: "Party members cannot take part in activities in the capitalist private economy." This means that they cannot take part in exploitation.

[TAP CHI CONG TAC TU TUONG VAN HOA] How can we determine whether party members take part in exploitation when the wives (or children) of some party members actually are directors of capitalist private enterprises or incorporated companies? Why can't party members take part in the capitalist private economy while they can in the small-ownership economy?

[Ha] This was the matter that local party organizations had been discussing in a heated manner in the last few months. This was also the subject of a study that had started a few years ago but has not arrived at any conclusions. Let us wait and see how it will actually be resolved.

#### **What threats to the renovation?**

[TUOI TRE] Will the forthcoming Eighth Party Congress continue to consider the four threats that the midterm (January 1994) National Conference of Delegates has defined as the ones that may jeopardize the success of the renovation in our country?

[Ha] The draft political report still recognizes these threats, and there is no change regarding the order of these threats.

[ASIA TIMES] As Vietnam has been opening its doors, we have often heard the "peaceful events" concept. In his recent speeches, Chinese leader Jiang Zemin has also mentioned this concept. Some people think that it seems that a Sino-Vietnamese alliance is being formed to fight the peaceful events. What is your opinion on this matter?

[Ha] Vietnam is pursuing an independent and self-supporting line of its own. Our party has set forth the task for all the party and the people to fulfill, namely, to deal with the situation on the basis of Vietnam's realities.

[VOICE OF VIETNAM] As we open our doors to communicate with other countries, how can we both maintain our national cultural traits and absorb the quintessence of world civilization?

[Ha] The draft political report clearly indicates that we must maintain the national cultural traits and at the same time absorb the quintessences of the world. Therefore, as we conduct our open-door policy, we find good aspects; but at the same time, there are negative cultural aspects. Great importance is attached to this in the draft political report.

#### **How is the question of personnel resolved at the congress?**

[AP-Dow Jones] When will the Eighth Party Congress be convened?

[Ha] The Eighth Party Congress will convene in the middle of 1996.

[DAI DOAN KET] How is the personnel question to be resolved by the congress? Will the ranks of leading cadres get to be younger?

[Ha] Regarding the personnel question, we will follow the formula of combining age groups, combining generations, and ensuring stability, continuity, and succession. But the Central Committee of the CPV also pays great attention to the question of making the leadership ranks younger.

### Australia

#### Australia: Media Release on Trade Minister's U.S. Visit

*BK1106075696 (Internet) Australian Department of Foreign Affairs and Trade WWW in English 7 Jun 96*

[*"Media release"* issued by Tim Fischer, Australian deputy prime minister and minister for trade, on 7 June; place not given: "Deputy Prime Minister Talks Trade in Washington"]

[FBIS Transcribed Text] During his first official visit to Washington, the Deputy Prime Minister and Minister for Trade, Tim Fischer, held a productive meeting with US Vice-President Al Gore. "We discussed a range of issues, but of most significance was the Vice-President's absolute commitment to take into full account Australia's interests when applying the United States' agricultural export subsidy programs," Mr Fischer said.

Mr Fischer also met with a number of other senior officials in the Administration, including acting US Trade Representative Charlene Barshefsky, Commerce Secretary Mickey Kantor, and Agriculture Secretary Dan Glickman. "As the Prime Minister John Howard has made clear, the new Australian Government is committed to strengthening our relationship with the US at all levels," Mr Fischer said. "This visit has given me the opportunity to establish early and direct contact with key US decision-makers, to deliver a clear and strong message about Australia's trade priorities.

"This effort is being paralleled by meetings also being conducted in Washington by the Minister for Foreign Affairs, Alexander Downer, and the Minister for Industry, Science and Tourism, John Moore.

"Increased focus on the bilateral trade and investment relationship is a core objective for the Government. A major outcome of my discussions was agreement with acting USTR Barshefsky to energise our bilateral Trade and Investment Framework Arrangement (TIFA) process.

"We agreed to another meeting of the TIFA council, which will embrace a number of bilateral market access issues and include discussions on how to improve the protection of intellectual property rights. We will work to advance our shared policy aims regionally and multilaterally in key areas such as agriculture and telecommunications services.

"The TIFA process will be valuable in maximising the positive elements of the bilateral economic relationship, for example through a greater co-operation on the recognition of standards and professional qualifications.

"I also made clear in my talks that Australia will not hesitate in vigorously presenting our concerns with US trade policies and practices.

"There are a number of areas in the relationship where we would like to make progress — US maintenance of damaging agricultural export subsidies, unilateral bans on the import of prawns, the extra-territorial application of US law, and the Jones Act which restricts access to the US maritime sector. I have firmly registered Australian concerns in these areas and expect to maintain close contact with my US counterparts in the coming months.

"An important objective of my meetings also has been to stress the importance we attach to strong US leadership in pursuing global and regional trade and investment liberalisation.

"The Singapore WTO Ministerial meeting and the APEC Ministerial meetings in the Philippines, both scheduled later this year, present major challenges for our two countries. They will prepare the way for future multilateral trade negotiations in the WTO and in achieving concrete regional trade liberalisation under APEC.

"In both these forums, Australia and the US have an excellent record of co-operation, which I am determined to continue and intensify.

"We want to work with the US to ensure that the significant results from the Uruguay Round are properly implemented and movement is made toward achieving greater global trade liberalisation."

Mr Fischer added that he attached importance to establishing strong links with influential players in the US Congress dealing with issues of immediate significance to Australia, particularly US trade policy toward the Asia-Pacific region.

He said he had an excellent exchange of views with senior Congressional representatives, including the Ranking Minority Member of the House Committee of Agriculture, Mr Kika de la Garza, Chair of the Trade Subcommittee of the House Ways and Means Committee, Philip Crane, and Chair of the Senate Finance Committee Senator William Roth.

#### Australia: Downer To Seek Closer Trade Links During U.S. Visit

*BK1106024896 Melbourne Radio Australia in English 0630 GMT 10 Jun 96*

[From the "International report" program]

[FBIS Transcribed Text] Australia's foreign minister, Alexander Downer has begun his first official visit

to the United States for a meeting with the head of the Central Intelligence Agency, John Deutch. In the coming days he will be meeting Secretary of State Warren Christopher, Defense Secretary William Perry, and National Security Adviser Anthony Lake in what is being described as a getting-to-know-you visit. Mr. Downer wants a closer bilateral relationship and says he is keen to develop the idea of a new Asia-Pacific Defense Conference, a concept which some of Australia's northern neighbors do not like because they see it as undermining the ASEAN regional defense forum. Mr. Downer told Washington correspondent Peter Cave that Australia needs to contribute more to the relationship with the U.S. particularly in the area of security.

[Begin recording] [Downer] We cannot ask the United States to do everything. There has got to be an element of burden sharing. We have an ANZUS [Australia, New Zealand, and U.S. defense pact] alliance with the United States but my guess is we can do more, for example, in our defense policy we flagged the idea of the pre-positioning of some American defense equipment, maybe logistical equipment, but some sort of defense equipment to help encourage the continuing engagement of the United States in the region. That is the policy that, I think, is well supported by others in the region. One thing that others in the region have not been so happy about is a possibility of a wider defense dialogue. I think our relationship with the United States is one of the assets that we carry into the region, it is not a disadvantage, it is an asset. And, I guess, that's an asset appreciated in the region. Now, as far as other dialogues in the region are concerned, well, we, as does the United States, support the evolution of the ASEAN regional forum, which brings countries of the region together to discuss regional security issues, and those of us who are members of APEC [Asia-Pacific Economic Cooperation], I think there is strong regional support for this sort of dialogue that we are encouraging with the United States and with other countries.

[Cave] The Americans have, in recent years, given us a fairly raw deal on trade. Would you expect some change in that? Would you be pursuing that as possibly our quid pro quo for basing American weapons in Australia?

[Downer] Well, we do not base American weapons in Australia.

[Cave] That's equipment.

[Downer] Well, we make it plain to the United States always that we want a better trading relationship than we currently have and indeed over the last few years there has been a sharp deterioration in Australia's export performance to the United States and we need to turn

that around. We cannot just blame the Americans for that, there are some self-made reasons that we have those problems and one of them is that we have not done enough to make our own economy sufficiently competitive and we have got to do the hard work and show that it is more competitive. I am certainly sure the United States imposes some restrictions on our imports which are harmful to us and they also have a series of export subsidy programs, particularly for agricultural products, which are harmful to us as well. Now we have not traditionally linked security with trade directly because there are quite different issues and they have quite different dimensions. But we make the point that part of the strength of the relationship is ensuring that progress is made on some of these commercial questions.

[Cave] Mr. Fischer, who is also here, has expressed the opinion that we have not been tough enough for the Americans but if we do not link what we have to trade with, which is I guess security with trade commodities, what have we got to bargain with?

[Downer] Well, the security relationship is one of mutual advantage; it is not a one-sided security relationship. I do not think people who argue we should link trade to security have quite thought that through. But for us then to say that we will give up some, we will be prepared to give up some of the advantages of that alliance in order to gain a better deal for some commodity sector, would be cutting off our noses to spite our faces. I mean, we damage ourselves. We might damage them a bit, but we damage ourselves a lot, so that would be a very foolish thing to do in the sort of uncertain regional security environment we live in today.

[Cave] OK, then I guess the question is what have we got to bargain with?

[Downer] Well, we have got to work with the United States at three levels. First of all, we do have a good relationship with them so we need to — and through that good relationship very good access in Washington — use that to drive home the point that Australia looks to a fair deal in international trade. After all, the United States is very happy to go around and beat over the head the Chinese and the Japanese in particular and others, and demanding fair trade from them but we for our part are able to make the same points here in Washington, and they should be well and truly understood, that on a bilateral basis—on a multilateral basis—we look, in particular, to APEC as being a vehicle through which we can drive reform into a lot of U.S. trading policies, so we negotiate with them, we argue with them at the three levels — at the bilateral level, at the regional level,

and at the global level, and we will see how we got. [end recording]

**Australia: Downer 'Delighted' With U.S. Free Trade Commitment**

*BK1106063396 Melbourne Radio Australia in English 0500 GMT 11 Jun 96*

[FBIS Transcribed Text] Australia's foreign minister, Alexander Downer, says he is delighted with the commitment he has received from the United States on free trade. He says he has received assurances about the American determination to maintain the momentum towards an Asia-Pacific free trade zone. Mr. Downer was speaking after talks in Washington with U.S. Secretary of State Warren Christopher.

[Begin Downer recording] What we are ultimately looking for is individual action plans, which are taking up towards the Bogor outcome — free trade by 2010 for the developed countries and free trade by 2020 for the developing countries. What I can say here is that the U.S. Administration has given me a firm commitment today that they are absolutely wedded to those goals. [end recording]

**Australia: Editorial Downplays Concern Over 'Cultural Penetration'**

*BK1106071496 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 11 Jun 96*

[Editorial: "Media and Culture" — received via Internet]

[FBIS Transcribed Text] The Prime Minister, Mr John Howard, is wrong to put the emphasis, as he reportedly has, on the need to promote local media ownership in order to reduce the amount of "cultural penetration" of Australia, particularly from the United States. This is a furphy. The influence of US culture in Australia is relatively benign, and in any case ownership has little impact on the media's overall content.

Whatever form the media takes — be it newspapers, magazines, radio, or television — the content is largely determined by the need to entice the public to buy, and to accomplish this enticement at the lowest possible cost, just as with any other business. If television, for example, carries a lot of US "sitcoms" and soap operas, it is because these are cost-effective in attracting viewers.

As always, ensuring that there is also a range of locally produced programs largely depends on local-content laws, laws which need to be applied irrespective of who owns the media outlets.

Instead of focusing on the issue of local versus foreign ownership of the media, Mr Howard would be much

better advised to put the main emphasis on diversity of ownership. It's only by encouraging this that Australia will be able to enjoy the sort of free-ranging policy debates that are an essential element of a truly open society and a successful democracy.

If he is considering scrapping the cross-media rules, it is crucial that a public interest test be included in the competition laws. As the chairman of the Australian Competition and Consumer Commission [ACCC], Professor Allan Fels, has noted, without this there is little the ACCC could do to stop even further concentration of media ownership.

**Australia: Government Silent on Possible U.S. Troop Presence**

*BK1106072496 (Internet) Australian Broadcasting Corporation Online WWW in English 0358 GMT 11 Jun 96*

[FBIS Transcribed Text] The Federal Government has refused to rule in or out the possibility that American troops will be placed in the Northern Territory.

Foreign Affairs Minister Alexander Downer says he discussed increased access to Australian training areas, and the positioning of American military equipment in Australia, during talks in Washington yesterday.

Mr Downer says details of the talks would be discussed at the Ozmin ministerial talks with the United States in Australia next month.

**Australia: Downer on U.S. Access to Military Training Areas**

*BK1106094596 Melbourne Radio Australia in English 0630 GMT 11 Jun 96*

[From the "International Report" program]

[FBIS Transcribed Text] Australia is likely to see a lot more American soldiers, sailors, and air crews as a result of talks that Foreign Minister Alexander Downer has just completed in Washington. Mr. Downer met today with the trio that advises President Clinton on foreign and defense policy—the secretary of state, Warren Christopher; Defense Secretary William Perry; and National Security Adviser Anthony Lake. At a news conference afterwards, Mr. Downer said they'd had a useful discussion on increased U.S. access to Australian military training areas, but he was less keen to discuss his conversations about the much more controversial issue of allowing Washington to keep military equipment in northern Australia so that it can be quickly deployed to any regional conflict.

Peter Cave reports from Washington:

[Begin recording] [Downer] I've been able to establish relations with the U.S. leadership on behalf of the new Australian Government, and those personal contacts can't be underestimated. It is very important to...

[Cave, superimposed] Mr. Downer's visit to Washington was designed to pave the way for the so-called Ausmin [Australia-U.S. Ministerial Talks] Ministerial Talks between Australia and the United States next month. The Howard government is keen to forge a much closer relationship with the United States, particularly in the area of security and it's government policy to encourage the United States military to feel at home in Australia.

[Downer] And that seems to be a message well received here in Washington as well. We have talked about the issue of developing the military ties between Australia and the United States, and on the part of both of us, there has been a useful discussion about the increased access to Australian training areas by U.S. forces in the Pacific, and there will be further discussions about that at the Ausmin talks in Sydney next month. We've made good progress already on that issue, and I look forward to further discussions about it at the end of July, along with my colleague, the minister for defense, Mr. McLachlan.

[Cave, superimposed] Mr. Downer acknowledged that he has also discussed the question of pre-positioning military equipment, but it was an issue he was not keen to discuss.

[Downer] Well, on the pre-positioning question, it partly depends on what you mean by pre-positioning...

[Unidentified correspondent, interrupting] What if...

[Downer, interrupting] Well, hang on. And as far as training is concerned, I want to be equally elusive and say that we are having private discussions about these issues, and I do not want to say too much more at

this time about it—just to say that this is an issue that the new Australian Government has put on the agenda. I, in particular, had discussions about this with Defense Secretary Perry. He was very responsive on this issue, and we look forward to carrying these discussions further at the Ausmin talks in Sydney. And it is at that time that we will have a bit more to say about it than I have today. I would just say that I think we have taken the process well and truly forward at these meetings in Washington, and I look forward to that being worked through by our appropriate defense department officials, by my colleague, the minister for defense, and by Defense Secretary Perry.

[Cave, superimposed] It was an issue he avoided again and again at his news conference.

[Downer] Look, I have really sort of answered the question on defense cooperation to the extent that I want to. I do not want to go any further than that. As far as, as you put it, hardware programs, (?they) continue to be discussed (?half-way). [laughs]

[Unidentified correspondent] Without going into detail, is there a possibility that we may see American troops based in the Northern Territory?

[Downer] Well, as I said, I really do not want to go into details. This is something we want to work through further with the U.S. Administration. But I think you should note my words that the main focus of our discussions, as far as those issues are concerned, was on increased access to Australian training areas by U.S. forces in the Pacific. Now how that will happen—the details of that—I really do not want to speculate on. So no matter how you construct the sentence, with a view to constructing the headline, I am giving you the answer I want to give you, and I really do not feel comfortable about taking it much further than that. [end recording]

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